

South Bay Cities Council of Governments

August 22, 2019

TO: SBCCOG Board of Directors
FROM: Steve Lantz, SBCCOG Transportation Director
RE: SBCCOG Transportation Update Covering June 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

Record Senate Transportation Appropriations Bill Includes Climate Change Incentives

A \$287 billion transportation appropriations bill released by the Senate Environment and Public Works Committee on July 29th would boost transportation spending by 27% over the prior highway bill. However, lawmakers must find about \$85 billion in additional revenue to pay for the appropriations through 2025.

Of the total, \$259 billion - or over 90% - would be distributed to states by formula. It would also authorize \$6.6 billion for a competitive grant program to address the backlog of bridges in poor condition nationwide among other funding efforts.

The bill **includes** \$3.5 billion over the next five years for electric car charging stations and other infrastructure for low-emission vehicles. In addition, \$1 billion would be allocated for infrastructure grants to support vehicles powered by electricity, hydrogen or natural gas along designated sections of highway.

In recent years, Congress abandoned the practice of largely requiring road users to pay for repairs. Since 2008, Congress transferred about \$141 billion in general revenues to the Highway Trust Fund, according to the Government Accountability Office. In addition, Congress has not boosted the 18.4-cents-per-gallon federal gasoline tax since 1993, which is now worth just 11 cents after adjusting for inflation.

The bill would also require the White House Council on Environmental Quality to lead a federal interagency working group "to develop a strategy to transition" government vehicles to electric and other alternative vehicles "to the maximum extent practicable."

Senate Bill Would Require Climate-Change Metrics In Transportation Projects

The Generating Resilient, Environmentally Exceptional National (GREEN) Streets Act, introduced by Senators Ed Markey (D-MA) and Tom Carper (D-DE) on July 10th, would, require all states to measure, and reduce, vehicle miles traveled (VMT) and GHG in their transportation systems in addition to the current congestion and travel time metrics.

California is already using the climate-change metrics instead of traditional measures like travel time and congestion-related metrics (i.e.: intersection level of service). By measuring how successful transportation projects are by how many destinations—like jobs, schools, and grocery stores— people can access using transportation options other than single-occupant vehicles, the federal and state governments hope to incentivize infrastructure investments in infill development, transit, biking, and walking.

House Bill Promotes Federal Funding Eligibility for Bikeshare Programs

The chairs of Congress' Bike Caucus introduced The Bikeshare Transit Act of 2019 on July 26th. The bill would insert new definitions into the United States Code so future spending bills can legally fund bike sharing programs. The bill does not allocate any funding for that purpose, but bike-share programs would be eligible for federal transit money and for a large-grant program that is dedicated to improving air quality.

According to the National Association of City Transportation Officials, about 36.5 million trips were taken in 2018 on bike share, the vast majority in just a few cities that have made sizable investments in station-based bike-share parking and charging systems.

Congress / Trump Spar Over Transit Funding Delays, Funding Levels

Wait time for transit funding has doubled under the Trump administration, according to a report that uses data from the Federal Transit Administration. In a July 16th hearing, members of the House of Representative's Transportation and Infrastructure Committee questioned the Federal Transit Administration (FTA) about what they felt were delays in distributing already appropriated funds to local transit projects.

According to committee members, of the \$3.8 billion appropriated for the program over the last two years, the FTA is currently sitting on \$2.4 billion in funding. A survey of local transit agencies conducted by the committee concluded that FTA delays since 2017 have resulted in at least \$845 million in extra costs for transit agencies, including \$650 million resulting from changes to how the FTA assesses risks and \$195 million due to delayed approvals.

The average number of days for a new transit line project, called a New Start Project, to get to the final phase of approvals grew to 391 days, compared to 172 days prior to 2017. The average number of days for a capital improvement grant project that costs less than \$100 million, called a Small Start Project, more than doubled, from 112 days before 2017 to 243 days now.

In defense of the FTA, K. Jane Williams, acting administrator of the FTA, testified that, "FTA is moving projects through the CIG program in accordance with the law." Williams also defended the delays, saying that it was unfair for critics to compare the first two years of a new administration with the last two years of a two-term presidency.

The administration also plans to dramatically reduce grant funds for next year. The FTA requested \$1.5 billion for FY 2020, a 40% reduction from this year's funding levels of \$2.5 billion. Williams said this is based in part on the number of projects the FTA expects to be up for funding in that budget cycle.

STATE

California and Major Automakers Reach Voluntary Agreement On Fuel Standards

The California Air Resources Board (CARB) and four major automakers announced a deal on July 25th regarding fuel efficiency standards.

The joint CARB agreement with Honda Motor Co., Ford Motor Co., Volkswagen AG and BMW AG amounts to a rebuke of the Trump administration's 2018 proposal that recommended capping mileage requirements at a 37 mile-per-gallon fleet average starting in 2020, instead of eventually rising to 47 mpg. General Motors Co., which did not sign the pact with California, said in a statement, "[Its] focus remains on working with all parties on a solution that would involve a 50-state solution and a national electric vehicle program

The California framework supports continued annual reductions of vehicle greenhouse gas emissions through the 2026 model year, encourages innovation to accelerate the transition to electric vehicles, and provides industry the certainty needed to make investments and create jobs. It also supports a national program that will result in at least 30 percent more greenhouse gas emission reductions nationwide compared to splitting up the standards between those followed by California and 13 other states and the less stringent standards proposed by the Trump. The states that follow California standards account for more than a third of all U.S. auto sales.

But the plan was dismissed by the Trump administration, which has vowed to enforce its proposed lower nationwide fuel standard. The pact comes as the Environmental Protection Agency and National Highway Traffic Safety Administration (NHTSA) are working to finalize their 2018 proposal after discussions with California officials broke down earlier this year. The federal plan also proposed stripping California of its authority to regulate carbon emissions from vehicle tailpipes.

California Energy Commission Funds 200 Electric School Buses

The California Energy Commission has awarded nearly \$70 million to state schools to replace 200 diesel buses at approximately \$350,000 each. Funding for the electric buses is supplied by the voter-approved California Clean Energy Jobs Act, and the commission's Clean Transportation Program will provide the charging infrastructure to support the buses.

While the exact cost of each bus is unknown, the commission estimates that "schools will save nearly \$120,000 in fuel and maintenance costs per bus over 20 years." Some estimates have noted that electric school buses tend to cost about \$120,000 more than diesel buses — if that's the case here, the price will be equal in the end, with added health benefits.

REGION

L.A. County Tentatively Increases Fees For Parking, Rentals At Some South Bay Beaches

Parking fees at some South Bay beaches are poised to increase, along with charges for RV hookup, marina storage and kayak rental fees, based on a July 23rd vote by the Los Angeles County Board of Supervisors.

Proposed day rate parking increases of \$1 per day at Dockweiler and Torrance beaches are subject to approval by the California Coastal Commission and include additional \$1 hikes for each of the next two years. Metered and short-term parking rates at various beach and marina lots are also set to move up from \$1.50 to \$2 per hour. Daylong parking rates at other county beaches will remain unchanged.

The cost for parking and hookup to electricity, water and sewer services at a Dockweiler Beach lot for 118 recreational vehicles will increase by \$10 per day to a maximum of \$75, depending on location within the lot. The county is also adding spaces for tent campers who need electrical hook-up only at a \$45 fee.

Parking fee changes will be effective if and when approved by the Coastal Commission. All other fee increases will go into effect Aug. 1.

La Metro Updates Its Sepulveda Pass Rail Plan

In late July, Metro unveiled their latest projections for travel time, ridership, and construction costs for the Sepulveda Transit Corridor Project. The project has been broken into two phases. Phase 1 would run from Van Nuys, down through the Sepulveda Pass, to the Expo Line and could be operational between 2028 and 2033. Phase 2 would extend the line from Expo to LAX by 2057.

Metro is exploring two modes for the corridor – a subway like the Red and Purple lines — and a monorail, which would be a first for the transit agency. Metro staff previously eliminated light rail from consideration after determining it couldn't handle the high ridership demand expected on the route. There are three route options for subway and one for monorail being studied. The first two subway route options would be completely underground.

The line is expected to carry more than 100,000 daily riders when Phase 1 opens and more than 200,000 by the time Phase 2 extends the line to LAX. Metro's expenditure plan assigns \$9.5 billion for the project, but cost estimates are already exceeding \$14 billion as the routes and technology options are being studied in more detail.

Metro Gets First Electric Bus For Orange Line; 39 More On The Way

L. A. Metro took delivery on July 25th of its first zero-emission New Flyer electric bus, which is slated to be deployed on the Metro Orange Line later this year. The electric buses will cost \$1.15 million each. The contract includes the deployment of the electric buses and associated charging infrastructure, with recharging stations at various points along the line.

The Metro Board in 2017 unanimously adopted a plan to transition the agency to a 100% zero-emission bus fleet by 2030. The plan includes seeking continuous advancements in electric bus technology and cost effectiveness.

Metro Ridership Drops; Consistent With National Trend

Ridership on L. A. Metro's buses plummeted 25 percent over the past decade as the region lost about 95 million trips. According to an article in the L. A. Times in late June, it's the steepest decline among major transit systems in the country. L. A. is not alone in reporting slumping ridership with 31 of 35 largest metropolitan areas in the country losing ridership last year.

A UCLA study attributes the ridership losses to:

- Growing car ownership;
- Rising rents in Los Angeles that made housing unaffordable and pushed low-income families to the transit-starved suburban outskirts where a car is more likely to be seen as a necessity;

- Lower immigration rates and a state law that allows undocumented immigrants to apply for a driver’s license, decreasing the pool of people who rely on public transit to get around the region;
- A surge in the city’s homeless population — up 16 percent in the past year — that has strained the bus system and led to complaints about rider safety;
- Average bus speeds decreased from 12 to just over 10 miles per hour over the past 10 years; and
- Long wait times, delays, and multiple transfers to get to work or school.

The agency slightly boosted bus service hours from 7.02 million to 7.1 million for 2020 and is redesigning 165 lines and 14,000 stops for the first time in decades.

Terminal Operator, Union Reach Agreement Over Automated Electric Cargo Handlers

In what could mark the end of a battle between the largest cargo operator at the Port of Los Angeles and the union that represents dockworkers, the two sides have reached an agreement over the introduction of automated equipment in the APM Terminals shipping yard.

APM wants to start using automated electric cargo holders at the same time new electric powered container handling equipment replaces diesel equipment by 2030 to comply with California air regulations. However, the International Longshore Workers Union Local 13 estimated 500 work opportunities per day could be lost totaling \$200,000 in lost per wages per day if the automated equipment is brought in without an agreement.

APM and the union agreed that dockworkers will be enrolled in a “reskilling and upskilling” program, training diesel mechanics to handle automated electrical machinery, in exchange for the union allowing the automated equipment to be put in use. According to the agreement, the workforce training program will be available for up to 900 registered longshore workers and mechanics. APM also agreed to defer additional automated-related projects until at least July 2022. In addition, the City of L. A. City Council will convene a Blue Ribbon Commission to study automation of work in the city.

TRENDS

Electric Vehicle Choices Grow But Batteries Are A Concern

Customers now have nearly 50 electric models to choose from, and automakers are cranking out clean versions of the types of vehicles Americans currently want—SUVs and pickup trucks. But the batteries these vehicles carry may demand more electricity than the grid may have to sell, depending on what time of day consumers charge their cars. Power consumption from electric vehicles in the United States has nearly doubled in the last two years, a thirst that will only grow.

Tesla has raised another concern about batteries as a predominant power source. Their executives recently predicted an international shortage of battery minerals, including nickel, cobalt and copper, prompting concerns about the cost of batteries just as electric vehicles are in greater worldwide demand. And there’s the pesky problem of disposing of the toxic battery materials.

Uber Tests Monthly Subscription Pass That Packages Services

Uber is testing a monthly subscription pass that combines rides, Uber Eats, bikes and scooters. Uber is testing a few different iterations in San Francisco and Chicago pilots, with each version including a fixed discount on every ride, free Uber Eats delivery and free JUMP (bikes and scooters) rides. The pass costs \$24.99 per month and creeps into Postmates’ territory, which also offers a monthly subscription product for unlimited free deliveries.