



REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

January 15, 2021

AGENDA ITEM 3.7

TO: Regional Transportation Commission

FROM: Amy Cummings, AICP/LEED AP
Director of Planning

Bill Thomas, AICP
Executive Director

SUBJECT: RTC Federal Priorities

RECOMMENDATION

Approve the RTC federal priorities and provide direction accordingly.

SUMMARY

Proposed RTC federal priorities are provided below:

COVID-19 RESPONSE

1. *Relief funding through the Surface Transportation Block Grant (STBG) Program* - The COVID-19 crisis is jeopardizing the ability of Metropolitan Planning Organizations and State Departments of Transportation to provide crucial transportation infrastructure investments. The current emergency triggered a significant reduction in gallons of fuel sold, which is a primary funding source for regional road construction in Washoe County.

RTC Washoe recommends utilizing the Surface Transportation Block Grant Program (STBG) under the federal-aid highway program as the funding method for public transportation program and roadway infrastructure stimulus spending. The distribution of funds should use existing formulas and sub-allocation procedures, while removing local match requirements so federal funds cover 100% of project costs. It should allow these funds to be used as the local share for any program, such as STBG, Congestion Mitigation and Air Quality and Metropolitan Planning. Allowing new funds to be used to match other program funds would help ensure an effective and speedier project delivery process.

2. *Relief funding for transit through established formulas* – Additional transit funding would support RTC efforts to continue operations during the economic downturn caused by COVID-19. These programs are the 5307 Urbanized Area Formula, the 5339 Bus and Bus Facilities Formula, and the 5310 Program that provides specialized mobility services to seniors, people with a disability, and for transportation to medical services. Public transit provides access to essential services and for employees to reach essential jobs.

Legislation funding transit agencies should take the CARES Act distribution approach. The House revised HEROES Act, which would provide \$32 billion for transit, reserves \$18.5 billion to be distributed by formula for regions with populations of over 3 million. This leaves small and mid-sized transit agencies across the nation, such as the RTC, to compete for \$10 billion in discretionary grant program money.

3. *Additional Transportation Planning Funding* – RTC proposes allocating additional funds to metropolitan, regional and rural planning organizations through the Metropolitan Planning program, FTA planning funding and the State Planning and Research Program. This will help cover the expected losses planning organizations will face due to additional IT expenses, health care costs and project delays, while preventing staffing losses. These additional planning funds should be provided at 100 percent federal share to reduce the burden on municipalities, which are facing critical challenges to local budgets.
4. *Allow recipients of competitive grants to utilize project cost savings* – When grantees are good stewards of public dollars and bring projects to successful completion under budget, allow the expenditure of all competitive grant dollars on the project and/or allow the repurposing of cost savings on other projects that are related to and support the purpose of the original grant award.
5. *Use FY 2019 National Transit Database (NTD) Reporting for FY 2022 and FY 2023 Apportionments* – RTC requests a hold harmless approach to the allocation of formula funds in the next two fiscal years. Public transportation systems are required to provide reports to the Federal Transit Administration’s (FTA) NTD on financial, operating, and asset condition information. This information includes total annual revenue, ridership and revenue vehicle miles, which is then used by FTA in the distribution of § 5307 Urbanized Area Formula Grants and § 5311 Formula Grants for Rural Areas.

FTA apportions funds using NTD data from two years prior to the apportionment year (e.g. Fiscal Year (FY) 2020 data will be used for the FY 2022 apportionment). As a result of the COVID-19 pandemic, transit systems across the country have been impacted with historic decreases in ridership and revenue losses. Therefore, NTD data reported from FY 2020 and FY 2021 would have significant negative impacts on FY 2022 and 2023 apportionments and our efforts to rebuild. The RTC suggests that an approach to hold transit agencies harmless and use FY 2019 data for FY 2022 and FY 2023 apportionments.

POLICY PRIORITIES

6. *Expand Safe Routes to School Program Eligibility* – the RTC supports expanding the existing Safe Routes to School Program, which currently only covers students in kindergarten through grade 8, to include high school students. High school students are a particularly vulnerable population and our community has experienced 14 crashes involving high school students in 2019 alone. This important program funds infrastructure improvements and safety education, as part of an overall effort to improve safety, reduce

motor vehicle related accidents, and increase physical activity of our students through the promotion of walking and bicycling to school.

7. ***Direct Funding Distribution to Metropolitan Planning Organizations*** – Sending funds directly to qualified and experienced Metropolitan Planning Organizations is the best way to assure that stimulus funding gets into local economies quickly and effectively. We have all learned an important lesson from the COVID funding crisis. Those in need of stimulus funds need the resources now. Any means of distribution that has less oversight layers applies the resources rapidly. However, less oversight does not have to mean lower quality results or programs. The FTA method of funding MPOs directly has proven to be a very successful and should be applied with FHWA funding. Strained personnel resources at the federal and state level are not likely to be adequately and effectively addressed in the near term. Until they are, it only makes sense that USDOT use qualified MPOs who have consistently demonstrated the necessary skills and talent to properly administer federal funds to apply new stimulus funds.

RTC is already a direct recipient of federal funds from the FTA. However, funds from the FHWA must currently be administered through NDOT, which can create additional administrative burdens on both RTC and NDOT. RTC proposes an expanded pilot program that would allow RTC to be a direct recipient of FHWA funds to reduce administrative costs and delays.

8. ***Environmental streamlining*** – Reduce project development costs and duration by reducing the duplication of efforts in the National Environmental Policy Act (NEPA) process. This includes reducing duplication in the Section 4(f) of the US Department of Transportation Act of 1966 and Section 106 of the National Historic Preservation Act of 1966 processes and requirements. In addition, limiting the requirements for re-analyzing traffic data for a NEPA document would save time and resources.

OTHER POLICY PRIORITIES

- ***Fully fund the Highway Trust Fund and Mass Transit Account*** – It has been close to a quarter of a century since the federal gas tax has been increased to adequately fund the Federal Highway Trust Fund. For the last decade, general fund revenues and other financing techniques have been used to patch the widening shortfall. This national priority requires a solution before economic growth suffers further due to inadequate infrastructure. RTC encourages Congress to fund a robust surface transportation reauthorization bill by raising the federal gas tax by 25-cents per gallon and indexing to inflation.
- ***Restore funding ratio among FTA's capital investment programs and increase funding for the Section 5339 Bus and Bus Facilities program*** – This would re-establish the funding ratio that previously existed among FTA's Capital Investment Grants, State of Good Repair and Bus and Bus Facilities Programs to a 40-40-20 ratio and also increase funding for the 5339 Bus and Bus Facilities program.

- *Increase funding for the Capital Investment Grant (CIG) Program and make programmatic changes* – RTC supports increased funding for the CIG Program and changes to the CIG risk assessment process, taking into account a grantee’s past performance in its reviews. FTA now requires projects to meet a higher risk probability threshold and RTC recommends adjusting the risk threshold for Small Starts projects from 65% back down to 50%. To promote fairness and equity among projects undergoing a multi-year construction period, which may result in depressed ridership, RTC suggests a “hold harmless” provision so grantees are not negatively affected by changes to their formula funds. Furthermore, the project rating received once the NEPA process is concluded should be considered the final project rating. In addition, for purposes of CIG projects that are completed under budget, the RTC supports the ability to retain excess FTA funds to cover the cost of additional eligible activities not included in the originally defined project.
- *Permit the use of tapered match or delayed local match* – This approach will allow projects to be paid for with the federal funding share first, with state and local funding portion applied later in the projects. Delaying the state and local funding portion would assist agencies that are facing constrained local resources and help ensure successful project development and completion.
- *Improve FTA resources for grantees* – the RTC recognizes that federal employees are regularly asked to “do more with less” and supports fully funding and increasing funding for Federal Transit Administration staff or outside resources.
- *Support Joint Development and Public-Private-Partnerships* – the RTC supports the continuation of FTA’s joint development program and the encouragement of economic development in transit corridors. RTC also supports the creation of incentives for grantees to include private sector participation in transit infrastructure projects, transit service delivery and related economic development projects. RTC supports the use of innovative financing tools, included but not limited to asset-recycling, Build America Bonds, private activity bonds, state infrastructure banks, increased authorization for the Transportation Infrastructure Finance and Innovation Act, and equity investment tax credits.
- *Expand the Vehicle-Miles-Traveled (VMT) Fee Pilot Program* and create a commission to analyze the viability of a national VMT program as an alternative to the gas tax.

TRANSIT PRIORITIES

- *RTC alternative fuels program* – RTC needs to replace 45% of its fixed-route fleet in the next four years due to vehicle age and miles of service. To support the region's air quality and sustainability policies, these older diesel buses must be replaced with lower or no-emission vehicles. This program is critical, it addresses the region's high ozone levels, which can cause health issues for area residents. In addition, not pursuing such a program places the region at risk for becoming a non-attainment area. The electric, electric hybrid, or hydrogen fuel cell bus purchase price (\$898,000) is about \$450,000 higher than that of

new diesel buses. Funding, such as the Low or No Emission Vehicle Program 5339(c) and 5337(b) bus discretionary funds, to supplement local resources and replace aging diesel buses with electric or electric hybrid buses is a key priority.

- ***RTC Bus Maintenance Facility*** – RTC has maximized the utilization of the existing Villanova Bus Maintenance Facility. The existing facility cannot accommodate CNG fueling given its location under an existing highway, requiring a separate facility and location for the RTC’s paratransit vehicles. RTC is also exploring zero-emission technologies such as hydrogen fuel cell buses, which would bring additional maintenance and fueling facility needs. As RTC expands service to keep pace with a growing community and an impending NDOT project necessitates the relocation of the facility, a new site will need to be acquired and a replacement facility developed prior to NDOT’s start of construction. Since the replacement of the RTC’s facility is required by and a direct result of NDOT’s Spaghetti Bowl project, its relocation should be funded under the FHWA program.
- ***Extend the Bus Rapid Transit (RAPID) System: Continue the success of the regional RAPID system through extending the Virginia Line to Mt. Rose Highway and Lincoln Line to Stoker Avenue*** – The 1.3 mile extension of our BRT to Stoker Avenue and the 5 mile extension from Meadowood Mall to Mt. Rose Highway will allow completion of this most critical transit infrastructure. These two areas provide the best near-term opportunity to compliment the current BRT system by adding much needed service in high-density, senior and workforce housing. These projects would directly address two of our most pressing social issues - affordable housing and climate change.

HIGHWAY PRIORITIES

- ***Spaghetti Bowl Improvements*** – The 1-80/I-580/US 395 interchange is the top highway facility priority for RTC. This interchange is the bottleneck for the regional freeway network and has the highest concentration of vehicle crashes in the region and in the State of Nevada. NDOT has identified improvements and has completed the NEPA process for these design concepts.
- ***US 395 Widening*** – Widen US 395 between I-80 and Lemmon Drive. This segment of US 395 is a critical freeway link in the metro region that consistently experiences traffic congestion. It serves the growing residential population as well as the more than 12,000 jobs in the North Valleys region.
- ***I-80 Improvements*** – I-80 is a nationally significant freight corridor and critical for regional mobility within the Truckee Meadows. NDOT studies identified short and long-term investments to improve safety, and travel time reliability between the Spaghetti Bowl and Sparks Boulevard to the Tahoe-Reno Industrial (TRI) Center in Storey County.
- ***Arlington Bridges Replacement*** – This project will replace two bridges over the Truckee River at Arlington Avenue in downtown Reno. The bridges have the lowest structural

rating in the region and the new structures will include safety improvements along with pedestrian and bicycle facilities.

- *Sparks Boulevard Project* – The project will increase safety, provide needed roadway capacity and improve bicycle and pedestrian facilities by widening Sparks Boulevard to six lanes between Greg Street and Baring Boulevard.
- *I-11* – Support the designation of a corridor for the future I-11 through northwestern Nevada.

TOP PRIORITIES

While all the issues covered in this staff report are of critical importance to RTC, there are times when we may be asked to further prioritize our needs. In order to be prepared for the situation where a prompt and nimble response is needed, our 5 top priorities are highlighted in ***bold*** with this report and reiterated here as:

- ***Spaghetti Bowl Improvements***
- ***US 395 Widening***
- ***Arlington Bridges Replacement***
- ***Extend the Bus Rapid Transit (RAPID) System: Continue the success of the regional RAPID system through extending the Virginia Line to Mt. Rose Highway and Lincoln Line to Stoker Avenue***
- ***Direct Funding Distribution to Metropolitan Planning Organizations***

FISCAL IMPACT

There is no fiscal impact with this action.

PREVIOUS ACTIONS BY BOARD

November 15, 2019 Approved the RTC federal priorities.