



December 6, 2024

The Honorable Toks Omishakin
Secretary, California State Transportation Agency
400 Capitol Mall, Suite 2340
Sacramento, CA 95814

Re: Draft 2024 Climate Action Plan for Transportation Infrastructure

Dear Secretary Omishakin,

On behalf of Transportation California and our undersigned member organizations, representing the statewide transportation construction industry and workforce that designs, builds, repairs, and maintains California's multimodal transportation system, we write to provide our perspectives on the Draft 2024 Climate Action Plan for Transportation Infrastructure (Draft 2024 CAPTI).

We appreciated the opportunity to provide early feedback after the conceptual 2024 Draft CAPTI actions were unveiled in September and that our comments were factored into changes the California State Transportation Agency (CalSTA) made prior to releasing the November 1st Draft 2024 CAPTI "Actions and Descriptions". We further appreciate that the draft action to "set multimodal spending goals for the overall CAPTI portfolio of investments" was removed. The industry supports multimodal investments; however, this draft action could have ultimately hamstrung creative and flexible transportation and mobility solutions.

We remain very concerned though with CalSTA's continued advancement of draft actions that would elevate vehicle miles traveled (VMT) goals over other important transportation goals in two SB 1 competitive grant programs – the Trade Corridor Enhancement Program (TCEP) and the Solutions for Congested Corridors Program (SCCP). As detailed in the attached letter the statewide transportation construction industry submitted to the California Department of Transportation (Caltrans) on its SB 743 (Steinberg, 2013) implementation decisions, environmental review and mitigation of environmental impacts must be balanced with other core objectives, such as providing Californians with a safe and reliable transportation system.

Caltrans' current VMT analytical tools are imperfect and can result in an overestimation of VMT impacts from projects on the state highway system, leading to excessive mitigation requirements. The state did not provide new revenue streams for VMT mitigation. Therefore, escalating project costs from mitigation requirements ultimately means fewer highway improvement projects and benefits realized by taxpayers and motorists across the state. Traditional surface transportation funding sources, including the gas tax, are now being tapped for things like transit operations, mobility hubs, and housing. These are all critical investments but with finite transportation funding resources and strong voter sentiment for how gas tax revenue should be spent, the decision to mitigate VMT comes with substantial trade-offs. At minimum, the Legislature should be the one to consider programmatic changes to SB 1 competitive grant programs as proposed in the Draft 2024 CAPTI.

Finally, we have opposed past legislative proposals to codify CAPTI and must continue to do so. As a living document, CAPTI best remains a meaningful administrative document that is updated with evidenced-based data and information and stakeholder input. Codifying CAPTI would require regular statutory updates, which is not the best use of taxpayer resources or legislative time and resources. The current administrative process satisfactory – transparent, robust, and flexible.

As evidenced by the 2023 CAPTI Annual Progress Report, the state can continue to make climate gains while maintaining flexibility in transportation funding programs. We urge you to remove these recommendations prior to releasing a final updates to CAPTI in early 2025.

Sincerely,

/s/

Mark Watts
Transportation California

Charlie Nobles
Southern California Contractors Association

Matt Cremins
International Union of Operating Engineers

Peter Tateishi
Associated General Contractors of California

Ron Rowlett
Nor Cal Carpenters Union

Brad Diede
American Council of Engineering Companies,
California

Jon Switalski
Rebuild SoCal Partnership

Robert Dugan
California Construction and Industrial Materials
Association

Michael Quigley
California Alliance for Jobs

Russell Snyder
California Asphalt Pavement Association

Emily Cohen
United Contractors

cc: Tony Tavares, Director, California Department of Transportation
Carl Guardino, Chair, California Transportation Commission

Tanisha Taylor, Executive Director, California Transportation Commission
Myles White, Deputy Legislative Secretary, Office of Governor Gavin Newsom
James Hacker, Deputy Cabinet Secretary, Office of Governor Gavin Newsom
James Barba, Policy Consultant, Office of Senate President pro Mike McGuire
Julius McIntyre, Policy Consultant, Office of Assembly Speaker Robert Rivas
Farra Bracht, Chief Consultant, Assembly Transportation Committee
Melissa White, Principal Consultant, Senate Transportation Committee
Heather Wood, Consultant, Senate Republican Caucus
Daniel Ballon, Consultant, Assembly Republican Caucus



**CALIFORNIA
ALLIANCE
FOR JOBS**



**Transportation
CALIFORNIA**



**NOR CAL
CARPENTERS
UNION**



**AGC
CALIFORNIA**

**UNITED
CONTRACTORS**

SCCA
SOUTHERN
CALIFORNIA CONTRACTORS
ASSOCIATION



CALCIMA
California Construction and
Industrial Materials Association



November 22, 2024

Mr. Tony Tavares
Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

Re: Statewide Transportation Construction Industry Comments on Draft Second Edition of the Transportation Analysis Framework (TAF) and Transportation Analysis Under the California Environmental Quality Act (TAC)

Dear Director Tavares,

Transportation California and our undersigned member organizations, representing the statewide transportation construction industry and workforce that designs, builds, repairs, and maintains California's multimodal transportation system, write to share our perspectives on the California Department of Transportation's (Caltrans) Draft Second Edition of the Transportation Analysis Framework (TAF) and Transportation Analysis Under the California Environmental Quality Act (TAC).

Our specific feedback on the Draft TAF and TAC is grounded in fundamental concerns with the state's broader decisions over the last decade around SB 743 (Steinberg, 2013) implementation, including the choice to analyze roadway capacity projects for induced vehicle miles of travel (VMT). While we recognize Caltrans is required to implement SB 743 related CEQA changes, we believe there are several areas where the Department has exercised discretion when implementing SB 743 on projects on the state highway system (SHS) that are worthy of reevaluation. The TAF and TAC updates provide a prime opportunity to do just that.

The following provides an overview of our most significant and overarching concerns with SB 743 implementation on the SHS and subsequently specific issues of concern with the Draft TAF and TAC. We share this feedback in the spirit of improving SB 743 implementation and a sincere desire to balance environmental review and mitigation with Caltrans' other core objectives to develop a safe and reliable transportation network.

Caltrans Use of the NCST Calculator to Evaluate Vehicle Miles Traveled (VMT) for Projects on the SHS. While the language of the TAF and TAC provide flexibility for lead agencies to use other quantitative and qualitative options for analyzing VMT impacts from projects, Caltrans has relied almost exclusively on the NCST Calculator for CEQA purposes. We recognize CEQA requires lead agencies to use the best available methodology, but information from regional agencies about past SHS projects and their impact on VMT and the Draft Rural Induced Demand Study have found the NCST Calculator can overestimate induced VMT leading to excessive mitigation. Overestimation of VMT and resulting mitigation requirements have real impacts on the ability to deliver projects on the SHS that provide vital safety, economic, and quality of life improvements.

Caltrans Discretionary SB 743 Implementation Decisions – Appropriate Metric and Threshold of Significance. Reliance on the NCST Calculator, which was not designed as a project-level evaluation tool, begs the question as to whether VMT is the most appropriate measure of transportation impacts under CEQA. We understand Caltrans evaluated other metrics and ultimately chose VMT but to our knowledge the rationale for choosing VMT and not using other measures was not shared publicly. Since Caltrans also emphasizes the development of a safe and reliable transportation network, why are metrics consistent with these objectives not included in environmental impact review given the discretion that the CEQA Guidelines allow for Caltrans to select its own metrics for roadway capacity projects?

We are also very concerned with Caltrans' decision to set the threshold of significance at *any* amount of increased VMT. SHS projects in the pipeline have already established cost estimates and unless a project was developed after SB 743 implementation began, it did not factor in the cost of VMT mitigation. Not only is it unlikely that the California Transportation Commission can or will be able to fund cost increases for SHS projects that increase VMT, but we also question whether this is the highest and best use of limited transportation funding resources considering the state's other objectives around providing Californians with a safe and reliable transportation system. Considering the vast impact these decisions are having on projects on the SHS, including projects funded in part by local sales tax measures, we believe these choices are worthy of reevaluation with opportunity for public input.

Caltrans SB 743 Implementation May Undermine Overall Improvements to the SHS and Voter Trust. SB 743 implementation has drastically changed the type of mitigation required for projects on the SHS that increase VMT, and the cost of those mitigations have skyrocketed. SB 743 did not create a new source of funding for VMT mitigation. As such, existing revenue streams are being tapped which means fewer resources for other critical projects on the SHS. The same goes for sales tax measure funding – mitigations are coming at the expense of other projects that sales tax counties promised voters. Should the state and regional governments be unable to deliver on the promises made, voter sentiment may diminish along with the overall safety and quality of surface transportation in the state.

Draft TAC Removes Cost as Factor for Mitigation. CEQA requires a project to fully mitigate significant impacts, or if full mitigation is not feasible, then to mitigate to the extent possible. Per CEQA, feasibility considers economic, environmental, social and technical factors. We are very concerned with the language found in the Draft TAC on page 37 stating that, "while mitigation may add substantial cost to a project, there is no firm upper limit on such costs." We vigorously object to

this language. With SB 743 implementation underway, there are examples of projects where mitigation measures cost as much, or more, than the project itself. Knowing that mitigation measures are being funded from existing sources, this means the SHOPP, STIP, and local sales tax dollars will fund fewer projects overall, likely leading to declining conditions on state highways, local streets and roads, and bridges.

We respectfully request Caltrans leadership take these concerns seriously and convene a meeting of regional transportation agencies and other practitioners to discuss concepts for improving the methodology Caltrans relies on for SB 743 implementation. Thank you in advance for your consideration of our perspectives.

Sincerely,

/s/

Mark Watts
Transportation California

Peter Tateishi
Associated General Contractors of California

Matt Cremins
International Union of Operating Engineers

Brad Diede
American Council of Engineering Companies,
California

Ron Rowlett
Nor Cal Carpenters Union

Robert Dugan
California Construction and Industrial
Materials Association

Jon Switalski
Rebuild SoCal Partnership

Russell Snyder
California Asphalt Pavement Association

Michael Quigley
California Alliance for Jobs

Matthew Conarro
Western Regional Association for Pavement
Preservation

Emily Cohen
United Contractors

Charlie Nobles
Southern California Contractors Association