

#2 Partnership under Senate Bill 45

The role of California's regional transportation planning agencies (RTPAs) changed drastically on October 10, 1997 when Senate Bill 45 was signed into law. Prior to that time, MCOG, like other RTPAs had only a minor role in the development of state highways within Mendocino County. It was essentially limited to coordination with Caltrans regarding highway needs, ensuring that important projects were included in the regional transportation plan, and supporting Mendocino and Caltrans priorities at the California Transportation Commission.

Senate Bill 45 transferred 75% of the programming authority over capital improvement projects from Caltrans to the RTPAs, with Caltrans retaining control over 25%. The distribution formula for the 75% going to the RTPAs is based on population and highway miles. The first opportunity to program under the new rules came in early 1998, when MCOG devoted its entire share, \$17.3 million, to the Willits Bypass project. During that same cycle, Caltrans added \$39 million to the Willits Bypass and added \$14 million to complete the four-lane segment south of Hopland. Shortly after Congress passed TEA-21, another funding cycle was made available in 1999. With no need at the time to add funding to the Willits Bypass, MCOG distributed all available funding to local entities for local projects. This was repeated in the 2000 cycle, when nearly \$18 million was distributed for local projects.

MCOG is unique among rural counties in that there are two huge highway bypass projects on the horizon. No other rural counties have even one project of the magnitude of either Willits or Hopland. This situation requires that we make the most of leveraging our programming shares to capture Caltrans programming shares. There is a delicate balance to maintain. **If we spend too much on local projects, we will lose leverage in attracting state dollars.** With more than \$200 million in local rehabilitation needs alone, whatever program share we spend on local projects is a "drop in the bucket" toward addressing local needs. Although there is always pressure to spend money on local projects, it places the much larger projects at risk. We cannot come close to the amount needed to fund either bypass project without state participation. **We need state participation for these projects and must be prepared, at times, to devote all of our shares to certain state highway projects.**

Some RTPAs have policies in effect to direct all regional funding shares to State highway projects. MCOG has no such policy in effect. In fact, since our two State highway projects are so large, there are only certain periods when funding needs to be added to these projects to complete a certain activity (environmental, design, right-of-way, or construction). These activities are generally sequential and one needs to be complete before there is a need to fully fund the next. In the case of the Willits Bypass, finishing design and beginning right-of-way acquisition had to await completion of the environmental activity. The result was that in the 2000 and 2002 funding cycles there was no opportunity (or need) to add funding to either Willits or Hopland, so all funds were programmed for local projects.