SAN JOAQUIN REGIONAL RAIL COMMISSION

This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact San Joaquin Regional Rail Commission (SJRRC) staff, at (209) 944-6220, during regular business hours, at least twenty-four hours prior to the time of the meeting.

All proceedings before the Commission are conducted in English. Anyone wishing to address the SJRRC Board is advised to have an interpreter or to contact SJRRC during regular business hours at least 48 hours prior to the time of the meeting so that SJRRC can provide an interpreter. Any writings or documents provided to a majority of the Commission regarding any item on this agenda will be made available upon request in both English and Spanish for public inspection at the Office of the Executive Director located at 949 East Channel Street, Stockton, California, 95202 during normal business hours or by calling (209) 944-6220. The Agenda is available on the San Joaquin Regional Rail Commission website: www.acerail.com.

September 6, 2019 – 8:00 am

1. Call to Order, Pledge of Allegiance, Roll Call

Roll Call: Haggerty, Marchand, Elliott, Johnson, Moorhead, Young, Zuber, Chair Fugazi

Ex-Officios: Chesley, DeMartino, Zoslocki, McElhinney

2. Public Comments

Persons wishing to address the Commission on any item of interest to the public regarding rail shall state their names and addresses and make their presentation. Please limit presentations to five minutes. The Commission cannot take action on matters not on the agenda unless the action is authorized by Section 54954.2 of the Government Code. Materials related to an item on the Agenda submitted to the Board of Directors after distribution of the agenda packet are available for the public inspection in the Commission Office at 949 East Channel Street during normal business hours. These documents are also available on the San Joaquin Regional Rail Commission website at www.acerail.com/about-ace/sjrrc-board.html subject to staff’s ability to post the documents prior to the meeting.
3. Consent Calendar
   3.1 Minutes of SJRRC Regular Board Meeting August 2, 2019  
   3.2 Minutes of SJRRC Special Board Meeting August 2, 2019  
   3.3 Rail Commission/ACE Monthly Expenditure  
   3.4 ACE Monthly Fare Revenue  
   3.5 ACE Ridership  
   3.6 ACE On-Time Performance  
   3.7 Update on Positive Train Control  
   3.8 Washington Update  
   3.9 Approve 2019 Amendment to the Executive Director Employment Contract dated July 1, 1998  
      (Regular Voting Members Only)  

4. Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Any Other Documents Necessary to Obtain State Rail Assistance (SRA) Funding in the Amount of $1,500,000 for the Revenue Fleet Rehabilitation Project and $500,000 for the UPRR Safety Fund Project  
      (Jordan Peterson) (Regular and Special Voting Members)  

5. Public Hearing: Presentation and Introduce and Waive the First Reading of An Ordinance Creating A Station/Facilities Development Committee of the San Joaquin Regional Rail Commission and Delegating Decision-Making Authority to the Committee  
      (Stacey Mortensen) (Regular Voting Members)  

6. Update on ACE Rolling Stock Procurement  
      (Brian Schmidt)  

7. Update and Marketing Strategy for Saturday Service  
      (David Lipari)  

8. Commissioner’s Comments  

9. Ex-Officio Comments  

10. Executive Director’s Report  

11. Adjournment  
    The next regular meeting is scheduled for: October 4, 2019 – 8:00 am  
    Robert J. Cabral Station  
    949 East Channel Street, Stockton
Minutes of SJRRC Regular Board Meeting August 2, 2019

The regular meeting of the San Joaquin Regional Rail Commission was held at 8:00 am, August 2, 2019 at the Robert J. Cabral Station, 949 East Channel Street Stockton, CA 95202.

1 Call to Order/Pledge of Allegiance/Roll Call

Vice-Chair Zuber called the regular meeting to order at 8:00 am and led the audience in the pledge of Allegiance.

Counsel stated that the board will move to Close Session for the Regular Meeting.

Commissioners Present: Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber, Chair Fugazi

Commissioners Absent: None

Ex-Officio Members Present: None

2 CLOSED SESSION:

2.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Executive Director.

2.2 CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representative: Chair Fugazi
Unrepresented employee: Executive Director

2.3 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9 (One (1) case)

2.4 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of Case: Deanna Lacy, as personal representative of the Estate of Donald J. Lacy II v. San Joaquin Regional Rail Commission et al, US District Court for the Northern District, Case No. 19-cv-03984-NC.

There was no reportable action taken by the board during Closed Session. The Commission dropped items 3-12 from the agenda.
13 Adjournment

The meeting went to recess at 8:45 am and reconvened at 10:05 am.
The meeting adjourned at 10:30 am.
The next regular meeting is scheduled for:

September 6, 2019 – 8:00 am
Robert J. Cabral Station
949 E. Channel Street
Stockton, CA 95202
Minutes of SJRRC Special Board Meeting August 2, 2019

The special meeting of the San Joaquin Regional Rail Commission was held at 8:30 am, August 2, 2019 at the Robert J. Cabral Station, 949 East Channel Street Stockton, CA 95202.

1 Call to Order/Pledge of Allegiance/Roll Call

Vice Chair Zuber called the special meeting to order at 8:45 am and led the audience in the pledge of Allegiance.

Counsel stated that the board is taking a recess from the Regular Meeting will reconvene after the Special Meeting.

Commissioners Present: Haggerty, Marchand, Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber

Commissioners Absent: Chair Fugazi

Ex-Officio Members Present: Mr. Chesley, Mr. Zoslocki, Mr. McElhinney

3 Public Comments

No public comments were made.

David Schwegel made a public comment regarding the Rail Volution and Cascadia Rail Summit events. Mr. Shwegel also made comments regarding the California High Speed Rail (CHSR) project.

4 Consent Calendar

4.1 Minutes of June 7, 2019

4.2 Rail Commission/ACE Monthly Expenditure

4.3 ACE Monthly Fare Revenue

4.4 ACE Ridership

4.5 ACE On-Time Performance

4.6 Update on Positive Train Control

4.7 Washington Update
M/S/C (Johnson/Moorhead) Approve the Consent Calendar. Passed and Adopted by the San Joaquin Regional Rail Commission on the 2nd day of August, 2019 by the following vote to wit:

AYES: 7 Haggerty, Marchand, Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber

NOES: 0

ABSTAIN: 0

ABSENT: 1 Chair Fugazi

5 Discussion on Potential Committee Structure for Oversight of the Development and Implementation of the Stations and Facilities for the Valley Rail Program

Ms. Mortensen did a presentation on this item with assistance from Counsel.

Commissioner Young requested clarity on the appeals process. Ms. Mortensen and Counsel clarified the appeals process regarding the committee.

Commissioner Elliott asked for clarification on the selection process for the committee. Ms. Mortensen and Counsel explained the selection process for the committee and the reasoning behind the process.

Mr. Chesley commended the approach for attending to the immediate need and highlighted that this would be an interim step regarding SJRRC governance. Ms. Mortensen stated that the committee would serve as a bridge to the overall development of SJRRC governance.

Mr. Chesley inquired about the process if no one fit the criteria necessary to be part of the committee. Ms. Mortensen and Counsel clarified the process stating that in the event a regular voting member did not fit the criteria to be part of the committee, the Rail Commission would appoint a regular voting member.

Commissioner Haggerty inquired about dealing with the governance issue. Ms. Mortensen explained that staff will continue to work through the governance issue and explained the timeline that would be necessary.

Commissioner Haggerty requested a meeting for Alameda County members regarding the governance issue.
Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing a Three-Year Contract for Informational Technology Support Services to Interwest Consulting Group for an Amount Not-to-Exceed $590,012 from August 2, 2019 through June 30, 2022, and Authorizing and Directing the Executive Director to Execute the Agreement

Ms. Rasheed and Ms. Gowan did a presentation on this item.

Vice-Chair Zuber inquired about the option years. Ms. Rasheed explained the option years are at the discretion of the Board.

M/S/C (Johnson/Marchand) to Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing a Three-Year Contract for Informational Technology Support Services to Interwest Consulting Group for an Amount Not-to-Exceed $590,012 from August 2, 2019 through June 30, 2022, and Authorizing and Directing the Executive Director to Execute the Agreement. Passed and Adopted by the San Joaquin Regional Rail Commission on the 2nd day of August, 2019 by the following vote to wit:

AYES: 7  Haggerty, Marchand, Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber
NOES: 0
ABSTAIN 0
ABSENT: 1  Chair Fugazi

Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Approving the Sixth Amendment of the Altamont Pass Trackage Rights Agreement with Union Pacific Railroad for Initiation of Saturday Service, Increasing the Maximum Length of Trainsets from 8 to 10 Passenger Cars and a Capital Project Funded by the SJJPA for the Valley Rail Project, and Authorizing and Directing the Executive Director to Execute Any and All Documents Upon Legal Counsel Review and Approval

Mr. Schmidt did a presentation on this item.

Commissioner Johnson inquired about the clean-up fund for Union Pacific (UP). Mr. Schmidt explained the reasoning regarding the clean-up fund and how it will be utilized to clean up encampments along the right-of-way (ROW) throughout the corridor. Ms. Mortensen elaborated further the reasoning for the clean-up fund.

Vice-Chair Zuber inquired about the funding source. Mr. Schmidt explained that the money used is coming from the State Rail Assistance (SRA) program.
Commissioner Marchand asked how the money would be used. Mr. Schmidt explained the money would be used to reimburse UP for the clean-up work done along the corridor and that UP would be coordinating the clean-up efforts.

Commissioner Marchand highlighted the specific areas along the corridor where there are graffiti issues and inquired if anything can be done to speed up the process to get it cleaned. Mr. Schmidt stated that he, along with Mr. Sheridan, will investigate the issue.

Commissioner Elliott inquired about the percentage amounts in the staff report. Mr. Schmidt explained that the percentage increase is related to what the current agreement was with UP.

Commissioner Elliott asked what capital project for Valley Rail would apply to this agreement. Mr. Schmidt explained which projects could fall into that category.

**M/S/C (Young/Marchand) to Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Approving the Sixth Amendment of the Altamont Pass Trackage Rights Agreement with Union Pacific Railroad for Initiation of Saturday Service, Increasing the Maximum Length of Trainsets from 8 to 10 Passenger Cars and a Capital Project Funded by the SJJPA for the Valley Rail Project, and Authorizing and Directing the Executive Director to Execute Any and All Documents Upon Legal Counsel Review and Approval. Passed and Adopted by the San Joaquin Regional Rail Commission on the 2nd day of August, 2019 by the following vote to wit:**

- **AYES:** 7  Haggerty, Marchand, Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber
- **NOES:** 0
- **ABSTAIN:** 0
- **ABSENT:** 1  Chair Fugazi

Mr. Leavitt did a presentation on this item.

Commissioner Marchand inquired about Vasco Station. Mr. Leavitt explained that for planning purposes, there would be one station in the area and Vasco would no longer be served.

Vaughn Wolfe made a public comment regarding the potential speed that the trains could run through the tunnel. Mr. Wolfe also inquired about the verbiage used for ridership. Mr. Leavitt explained the verbiage regarding ridership. Mr. Leavitt also explained that the design would include the ultimate build for higher speeds so major improvements would not be needed.
M/S/C (Haggerty/Marchand) to Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Chair to Submit a Letter of Support for the Altamont Corridor Vision Phase 1 Improvement Program. Passed and Adopted by the San Joaquin Regional Rail Commission on the 2nd day of August, 2019 by the following vote to wit:

AYES: 7   Haggerty, Marchand, Elliott, Johnson, Young, Moorhead, Vice-Chair Zuber

NOES: 0

ABSTAIN 0

ABSENT: 1   Chair Fugazi

9   East Channel Street Improvement Project, Upcoming Public Information Meeting: INFORMATION Thursday, August 15, 2019

Mr. Herman did a presentation on this item.

No comments were made on this item.

10 Commissioner’s Comments

Commissioner Young inquired about excessive train horn noise in Tracy. Mr. Schmidt explained that the train horns are set at certain decibels and will investigate the issue.

Ms. Mortensen requested that Mr. Schmidt clarify the process of train horns as it relates to PTC. Mr. Schmidt explained that if the train engineer does not sound the horn according to the PTC algorithms that the train horn will sound automatically.

Ms. Mortensen mentioned that she will be meeting with the Railroads, Pipelines, and Hazardous Materials Chairman regarding the real-world application of PTC.

Commissioner Young highlighted the importance of safety.

11 Ex-Officio Comments

Mr. Zoslocki commented on the amount of progress related to transportation and thanked SJRRC.

Mr. McElhinney thanked SJRRC and thanked the Caltrans support team. Mr. McElhinney commented on the Draft California Freight Mobility Plan and announced the draft would be available in October for public review. Mr. McElhinney also commented on the 580 Altamont Corridor Summit on the Summit.

12 Executive Director’s Report

Ms. Mortensen discussed news regarding CHSR and SJRRC’s coordination with the California High Speed Rail Authority (CHSRA) as well as the Early Train Operator (ETO).
13 Adjournment

The meeting was adjourned at 10:04 am.
The next regular meeting is scheduled for:

September 6, 2019 – 8:00 am
Robert J. Cabral Station
949 E. Channel Street
Stockton, CA 95202
## San Joaquin Regional Rail Commission

### Altamont Corridor Express

Operating and Capital Expense Report

June 2019

100% of Budget Year Elapsed

<table>
<thead>
<tr>
<th>Project Management, Services &amp; Supplies Subtotal</th>
<th>SJRRC EXPENSE</th>
<th>ACE EXPENSE</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 18-19 TO SPENT ALLOCATION TO DATE</td>
<td>784,339</td>
<td>3,286,251</td>
<td>62%</td>
</tr>
<tr>
<td>FY 18-19 TO SPENT ALLOCATION TO DATE</td>
<td>879,089</td>
<td>5,276,185</td>
<td>112%</td>
</tr>
</tbody>
</table>

| Contracted Services Subtotal                    | 425,375       | 14,939,578  | 79%        |
| FY 18-19 TO SPENT ALLOCATION TO DATE            | 238,797       | 18,913,136  | 56%        |

| Shuttle Services                                | 1,209,714     | 19,495,684  | 77%        |
| FY 18-19 TO SPENT ALLOCATION TO DATE            | 1,117,886     | 25,459,176  | 92%        |

### Total Operating Expenses

| Total Operating Expenses                        | 1,209,714     | 19,495,684  | 77%        |
| FY 18-19 TO SPENT ALLOCATION TO DATE            | 1,117,886     | 25,459,176  | 92%        |

### Capital Projects

#### San Joaquin Rail Commission

<table>
<thead>
<tr>
<th>Project Description</th>
<th>SJRRC EXPENSE</th>
<th>ACE EXPENSE</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 East Channel Street Improvements</td>
<td>2,042,287</td>
<td>163,373</td>
<td>8%</td>
</tr>
<tr>
<td>2 Robert J. Cabral Parking Lot Expansion</td>
<td>2,229,413</td>
<td>2,213</td>
<td>1%</td>
</tr>
<tr>
<td>3 SJRRC Maintenance Vehicles</td>
<td>120,000</td>
<td>-</td>
<td>0%</td>
</tr>
</tbody>
</table>

| Total Capital Project SJRRC                  | $ 4,391,700   | $ 165,585   | 4%         |

#### Altamont Corridor Express

<table>
<thead>
<tr>
<th>Project Description</th>
<th>SJRRC EXPENSE</th>
<th>ACE EXPENSE</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 SJ COG Loan Repayment</td>
<td>1,118,012</td>
<td>1,118,012</td>
<td>100%</td>
</tr>
<tr>
<td>2 A1 &amp; A2 Bond Repayment</td>
<td>3,035,912</td>
<td>3,030,153</td>
<td>100%</td>
</tr>
<tr>
<td>3 UPRR Capital Access Fee</td>
<td>3,242,516</td>
<td>3,242,516</td>
<td>100%</td>
</tr>
<tr>
<td>4 UPRR Capitalized Maintenance Projects</td>
<td>4,000,000</td>
<td>1,967,541</td>
<td>49%</td>
</tr>
<tr>
<td>5 ACE Extension Natomas to Stockton</td>
<td>100,000,000</td>
<td>573,078</td>
<td>1%</td>
</tr>
<tr>
<td>6 ACE Extension Lathrop to Ceres/Merced</td>
<td>65,865,000</td>
<td>259,409</td>
<td>1%</td>
</tr>
<tr>
<td>7 Locomotives (4)</td>
<td>23,396,668</td>
<td>14,698,284</td>
<td>63%</td>
</tr>
<tr>
<td>8 Platform Extension Projects</td>
<td>8,959,000</td>
<td>330,098</td>
<td>4%</td>
</tr>
<tr>
<td>9 Cabral Track Extension</td>
<td>7,331,989</td>
<td>540,225</td>
<td>7%</td>
</tr>
<tr>
<td>10 Fremont Platform Extension</td>
<td>3,400,000</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>11 Lyoth Derail</td>
<td>500,000</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>12 Positive Train Control</td>
<td>3,944,067</td>
<td>2,753,021</td>
<td>70%</td>
</tr>
<tr>
<td>13 Rolling Stock</td>
<td>3,500,000</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>14 Facility Upgrades and Capital Improvements</td>
<td>28,522</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>15 Capital Spares</td>
<td>1,125,000</td>
<td>398,013</td>
<td>35%</td>
</tr>
<tr>
<td>16 Safety and Security/Video Cameras</td>
<td>1,544,087</td>
<td>837,479</td>
<td>54%</td>
</tr>
<tr>
<td>17 E-Ticketing</td>
<td>354,513</td>
<td>36,163</td>
<td>10%</td>
</tr>
<tr>
<td>18 Public Information Display System (PIDS)</td>
<td>225,000</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>19 Network Integration</td>
<td>1,000,000</td>
<td>22,055</td>
<td>2%</td>
</tr>
<tr>
<td>20 Coordinated Planning Services</td>
<td>300,000</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>21 Sunol Quiet Zone</td>
<td>400,000</td>
<td>31,456</td>
<td>8%</td>
</tr>
</tbody>
</table>

| Total Capital Projects ACE                   | $ 233,270,386 | $ 29,837,502 | 13%       |

| Total Capital Projects SJRRC & ACE           | $ 237,662,086  | $ 30,003,087  | 13%       |

* SJRRC - Project Management, Services, and Supplies (112%) - Based upon the planned true-up of actual work attributable to each of the major program areas, more staff time and legal services were spent on expansion of the ACE service outside of the trunk line service area. This planning work is attributable to SJRRC and not the current ACE member counties. This work is ongoing and was factored into the Adopted FY 19/20 SJRRC Operating Budget.
Status of Capital Projects - As of June 2019

SAN JOAQUIN RAIL COMMISSION

1 East Channel Street Improvements - SJRRC received $2 million from the San Joaquin Council of Governments’ Measure K funds to improve the pedestrian and bicycle access along Channel Street between the Downtown Transit Center and Cabral Station. SJRRC has begun the environmental clearance and final design for the project, which is anticipated to be completed in 2019. Construction is slated to begin FY 2019/2020.

2 Robert J. Cabral Parking Lot Expansion - Project will construct a new parking lot at the site of the old Western Pacific depot in Stockton, as well as renovate a portion of the building. Staff is working on completing an environmental determination to move forward with design.

3 SJRRC Maintenance Vehicles - The purchase of three maintenance vehicles.

ALTAMONT CORRIDOR EXPRESS

1 SJ COG Loan Repayment - Annual payment made July 1, 2018 per SJCOG amended loan agreement.

2 Bond Repayments - Bond repayments are made bi-annually, payments FY 18-19 are due in October 2018 and April 2019.

3 UPRR Capital Access Fee - Payment for calendar year 2019 paid in two installments. First payment processed in January and second payment in May 2019

4 UPRR Capitalized Maintenance Projects - Multi-year project is budgeted at $4,000,000 for the year. Invoices are received throughout the year. Awaiting final invoices from UPRR. Invoices take between 2-3 months to arrive after the close of a month.

5 ACE Extension Natomas to Stockton - Environmental work for the project is currently underway. It is estimated that the draft Environmental Impact Report (EIR) will be released in late 2019.

6 ACE Extension Lathrop to Ceres/Merced - The Environmental Impact Report (EIR) was certified in August 2018. Final design is currently underway for individual projects along the corridor.

7 Locomotives (4) - Multi-year project to procure up to five Tier 4 locomotives for ACE service. A contract for the procurement was approved in April 2018. First unit scheduled to arrive in September 2019, 3 months ahead of schedule, with the remaining units scheduled to arrive in early 2020.

8 Platform Extension Projects - Multi-year project to extend the existing Lathrop/Manteca, Tracy, Vasco, Livermore, and Pleasanton platforms. A contract for final design was approved in May 2018 and is currently under review by Union Pacific.

9 Cabral Track Extension - Staff has submitted environmental documentation to FTA to move forward with final design. Union Pacific is currently reviewing documentation.

10 Fremont Platform Extension - Construction of a 400-foot platform extension at the Fremont ACE Station. Final design is anticipated to begin in Q2 2019.

11 Lyoth Derail - Installation of electric-powered derails near the Tracy ACE Station. Coordination with UPRR is currently underway.

12 Positive Train Control - Multi-year project and will continue testing with Caltrain in late 2019. On-board equipment installation is complete and the Hosted Back Officer Server is operational. PTC is operating as designed on the UPRR corridor.

13 Rolling Stock - Multi-year project which uses a competitive negotiation process to procure five passenger rail cab cars and 12 coach cars, with an option to purchase up to 17 additional passenger rail cars. A joint procurement is currently underway, with the Agencies in negotiations with Bombardier for the procurement.

14 Facility Upgrades and Capital Improvements - Currently ongoing

15 Capital Spares - Preventative Maintenance is ongoing. Purchase orders are in the system but delays in material have occurred.

16 Safety and Security/Video Cameras - The camera security project was awarded in June 2018 and is in construction.

17 E-Ticketing - Multi-year pilot project is currently ongoing. A contract for the implementation of the Altamont Corridor Express Mobile Ticketing System was approved in May 2018. Full rollout release as of April 2019.

18 Public Information Display System (PIDS) - Currently ongoing project, PIDS system gives the ability to send train status and general information to ACE stations and SJPPA in real time.

19 Network Integration - Planning consulting services of integrating the ACE and SJPPA services with high-speed rail and other rail transit services.

20 Coordinated Planning Services - Anticipated planning services to start summer 2019.

21 Sunol Quiet Zone - Construction has been completed but to address public concerns, revisions need to be made. Design for the revised project, Four Quadrant Gates on Main Street Sunol, was released in a RFQ in January 2019. Contract was awarded at the May 3rd Board meeting.
null
ACE ON TIME PERFORMANCE

Monthly OTP %
- Jul-18: 86.31
- Aug-18: 86.81
- Sep-18: 93.42
- Oct-18: 88.59
- Nov-18: 95.51
- Dec-18: 78.52
- Jan-19: 45.35
- Feb-19: 66.23
- Mar-19: 76.19
- Apr-19: 81.61
- May-19: 84.09
- Jun-19: 85.53
- Jul-19: 86.75

YTD OTP %
- Jul-18: 85.45
- Aug-18: 85.63
- Sep-18: 86.41
- Oct-18: 86.65
- Nov-18: 87.39
- Dec-18: 86.79
- Jan-19: 45.35
- Feb-19: 55.21
- Mar-19: 62.35
- Apr-19: 67.37
- May-19: 70.85
- Jun-19: 73.09
- Jul-19: 75.04
Item 3.7 INFORMATION

Update on Positive Train Control

ACE train delays associated with PTC are decreasing. Average delays are down to 2 minutes per train, with most trains not experiencing any PTC related delays. The major issues being experienced are software communications related. Staff is currently working with the UPRR on upgrading the on-board software. UPRR is currently testing the latest software and will begin an initial deployment to a small number of locomotives in September 2019.

Communications to Passengers:
Staff continue to provide passengers with updated information regarding the delays using the following channels:

- ACE Website
- Social Media (Facebook and Twitter)
- Onboard announcements

Coordination with UPRR, Caltrain and the Federal Railroad Administration (FRA):
Staff continue regular conference calls with UPRR, Caltrain and FRA on PTC as PTC continues to evolve.

PTC testing on Caltrain is scheduled to begin sometime during the 4th quarter of 2019. The testing will be completed on weekends. It is anticipated ACE will be fully operational over the entire 86-mile corridor in the 2nd quarter of 2020.

Additionally, testing of the new ACE Charger locomotive will begin on UPRR and Caltrain corridors in the first quarter 2020 prior to being put into revenue service.

Metrolink Safety Summit and FRA PTC Collaboration Sessions:
Staff will be attending the Metrolink Safety Summit on September 12th in Los Angeles, and the third of six (6) FRA PTC Collaboration Sessions on October 2nd in Washington D.C.

Staff will also be meeting with member of the National Transportation Safety Board Jennifer Homendy (the keynote speaker from the Safety Summit) on September 14th at the Stockton Rail Maintenance Facility.
TO: SJRRC Board  
FROM: Buchanan and TG&A Team  
RE: Monthly Legislative Report for July 2019

ISSUE | ACTIONS
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**JULY UPDATE** | **CONGRESS**

SELECTED CONGRESSIONAL HEARINGS
July 25, 2019. The House Committee on Transportation and Infrastructure, Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing to discuss and receive testimony on: “Railroad Shippers Roundtable.” [Committee Link and Testimony](#)

July 10, 2019. The Senate Committee on Environment and Public Works held a hearing to discuss and receive testimony on: “Investing In America’s Surface Transportation Infrastructure: The Need for A Multi-Year Reauthorization Bill.” [Committee Link and Testimony](#) TGA summary available upon request.

SELECTED CONGRESSIONAL BILLS (JULY)
Go to this link and type in bill number: [Congress.Gov Bill Search](#)

<table>
<thead>
<tr>
<th>HOUSE</th>
<th>SENATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR 3822</strong></td>
<td><strong>S 2084</strong></td>
</tr>
<tr>
<td>L. Doggett (D-TX) To require metropolitan planning organizations to consider greenhouse gas emissions in long-range transportation plans and transportation improvement programs. Introduced 7/18/19.</td>
<td>E. Markey (D-MA) The “Generating Resilient, Environmentally Exceptional National Streets Act’’ or the “GREEN Streets Act''. To require transportation planners to consider projects and strategies to reduce greenhouse gas emissions.. Introduced 7/10/19.</td>
</tr>
<tr>
<td><strong>HR 3758</strong></td>
<td><strong>S 2056</strong></td>
</tr>
<tr>
<td>R. Davis (R-IL) With respect to apportionments to small transit intensive cities.Introduced 7/15/19.</td>
<td>S. Brown (D-OH) To ensure that certain Federal infrastructure programs require the use of materials produced in the United States. Introduced 7/8/19.</td>
</tr>
</tbody>
</table>

APPROPRIATION / BUDGET RESOLUTION PROCESS

US DOT Appropriations Status Table on the following page.
**JULY UPDATE - CONTINUED**

**US DOT Appropriation Status Table FY 2020**

<table>
<thead>
<tr>
<th>Appropriation Status Table Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL APPROPRIATION BILL SUMMARY</td>
</tr>
<tr>
<td>Bills Passed:</td>
</tr>
<tr>
<td>Senate (0 of 12)</td>
</tr>
<tr>
<td>Enacted:</td>
</tr>
<tr>
<td>Transportation-HUD</td>
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<tr>
<td>HR 3163</td>
</tr>
<tr>
<td>(voice vote)</td>
</tr>
<tr>
<td>5/23/19</td>
</tr>
<tr>
<td>2nd FY 2020 Consolidated Appropriations</td>
</tr>
<tr>
<td>See Note below.</td>
</tr>
<tr>
<td>H. Rept. 116-106</td>
</tr>
<tr>
<td>HR 3155</td>
</tr>
<tr>
<td>227-194</td>
</tr>
<tr>
<td>6/25/19</td>
</tr>
</tbody>
</table>

Note: House rule, H. Res. 446, agreed to by the House on June 19, 2019, combined the following five regular appropriations bills, 2020, as reported, with modifications: (1) CJS (H.R. 3055), (2) Agriculture (H.R. 3164), (3) Interior (H.R. 3052), (4) Mil-Con, VA (H.R. 2745), and (5) THUD (H.R. 3163). The rule provided for the consideration of certain amendments to the five regular appropriations bills and also included Division F relating to federal employment and contractor compensation. See also House Rules Committee site on H.R. 3055, the FY2020 Consolidated measure.

**July 22, 2019. BIPARTISAN BUDGET ACT OF 2019.** Congressional leaders and the Administration reached a bipartisan two-year budget accord that, 1) raised the discretionary defense/non-defense spending caps for FY 2020/2021, and 2) suspended the debt limit through July 31, 2021. The agreement eliminated the risk of a government shutdown, or the enactment of a one-year Continuing Resolution (CR), defused the possibility of a sequestration and the possibility of the government breaching the debt borrowing limit. The agreement clears the path for House and Senate appropriators to set allocations among the 12 subcommittees and to finalize all the appropriation bills prior to the beginning of FY 2020 (October 1, 2019). The House may vote on the measure as early as July 24, with the Senate voting the final week of July.

Regarding transportation, the agreement did not include a provision to repeal the $7.569 billion rescission of the FAST Act scheduled for July 1, 2020, which had been mentioned as an option. The aforementioned provisions were likely rejected due to the agreement which noted that “there will be no poison pills, additional new riders, additional CHIMPS, or other changes in policy or conventions that allow for higher spending levels.”

[As of July 15, the Treasury had $223 billion remaining in cash. As noted below, the Bipartisan Policy Center warned that the Treasury could run out of cash in early September; hence the priority to avert a debt default as Congress prepares to recess for August. U.S. government debt is currently over $22 trillion and the U.S. government generally spends more than it receives in revenues - $900 billion more spent than received in FY 2019.]

Specifically, the spending caps are increased a total of $320.313 billion over two years (FY 20/2021) with increased splits of $171.639 billion for Defense and $148.674 billion for NonDefense. The total spending cap for FY 2020 is $1.288 trillion and $1.298 trillion for FY 2021. Below is a comparison of the “agreed-to” Bipartisan Budget Act of 2019 and the earlier House-passed Investing for the People Act of 2019.
July 12, 2019. Treasury Secretary Stephen Mnuchin informed Congress (Mnuchin Letter) that the government could breach the debt ceiling by early September, unless Congress increases the debt ceiling before Congress leaves for their five-week August recess. A default could result in furloughs or delayed paychecks for federal employees. The scenario would “lead to delays of payments for government activities, a default on the government’s debt obligations, or both,” according to the Congressional Budget Office.

July 9, 2019. The Bipartisan Policy Center Now Forecasts now forecasts the possibility that the debt limit “X Date” – the date when the federal government can no longer pay all of its bills in full and on time – could occur in the first half of September. Upon hitting the federal debt limit, the Treasury Department has the statutory authority to engage in so-called “extraordinary measures” that allow the government to continue paying all of its bills in full and on time. These measures temporarily reduce certain types of debt (such as debt owed to federal employee retirement accounts), thus freeing up room under the debt limit for Treasury to borrow more from the public to raise cash and meet its ongoing obligations. Extraordinary measures are,
however, limited and thus only temporary. Once they are exhausted, Treasury only has the cash in its bank account and incoming revenues to pay its bills.

EXECUTIVE BRANCH
President Donald Trump indicated that he supports enactment of a two-year budget agreement reached with Congressional Leaders, Pelosi, McCarthy, McConnell and Schumer. See July 22, under APPROPRIATION / BUDGET RESOLUTION PROCESS.

STATUS OF US DOT NOMINATIONS / CONFIRMATIONS / RESIGNATIONS
Note: Updates and/or additions since previous report designated by *bold and italic type*.

<table>
<thead>
<tr>
<th>NAME</th>
<th>US DOT ADMINISTRATOR / OTHERS</th>
<th>STATUS</th>
</tr>
</thead>
</table>
| Ms. Diana Furchtgott-Roth     | Assistant Sec. of Transportation | Senate Commerce Committee approved 4/3/19, YEAs 14-NAYs 12.  
Roth                                        |
| Ms. Thelma Drake              | FTA Administrator             | Reported by Senate Banking 3/12/19, on Exec. Calendar  
Drake                                        |
| *Mr. Stephen Dickson*         | FAA Administrator             | Nomination received in the Senate [4/11/19] and referred to the  
Committee on Commerce, Science, and Transportation. Senate  
Commerce Committee hearing on 5/15/19 to consider the nomination.  
Senate Commerce Committee approved 7/10/2019, YEAs 14-NAYs 12.  
Cleared for a full Senate vote. Nominated 3/19/19.  
Dickson 1./                                |
| Ms. Heidi King                | NHTSA Administrator           | Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs 12.  
King                                        |
| Joseph Ryan Gruters (FL)      | Director Amtrak Board (5 Yr. Term) | Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs 12.  
Gruters                                      |
| Leon A. Westmoreland (GA)    | Director Amtrak Board (5 Yr. Term) | Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs 12.  
Westmoreland                                 |
| Rick A. Dearborn (OK)        | Director Amtrak Board (5 Yr. Term) | Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs 12.  
Dearborn                                      |
| Theodore Rokita (IN)          | Director Amtrak Board (Remainder of the term expiring January 3, 2021) | Received in the Senate and referred to the Committee on Commerce, Science, and Transportation. 5/14/19.  
Rokita                                       |
| Michelle A. Schultz (PA)     | Surface Transportation Board (New Position) | Nomination received in the Senate [1/16/19] and referred to the  
Committee on Commerce, Science, and Transportation. Senate  
Commerce Committee approved 7/10/2019, approved voice vote.  
Nominated 3/6/18.  
Schultz 2./                                |
| Michael Graham (KS)          | National Transportation Safety Board (for a term expiring December 31, 2025) | Nomination received in the Senate [6/24/19] and referred to the  
Committee on Commerce, Science, and Transportation.  
Graham 3./                                 |
| Robert L. Sumwalt III (SC)   | National Transportation Safety Board (Chairman for a term of three years, reappointment) | Received in the Senate [7/17/19] and referred to the Committee on Commerce, Science, and Transportation.  |
| Jennifer Homendy             | National Transportation Safety Board (for a term expiring December 31, 2024 - Reappointment) | Nomination received in the Senate and referred to the Committee on Commerce, Science, and Transportation. 1/9/19.  
Homendy                                    |
Carl Whitney Bentzel
Federal Maritime Commission (remainder of five-year term expiring June 30, 2019 and an additional five-year term expiring June 30, 2024)
Received in the Senate and referred to the Committee on Commerce, Science, and Transportation on 6/12/19. Bentzel

Chad Rupe
Administrator of the Rural Utilities Service
President Trump has announced his intent to nominate on 6/17/2019.

REGULATORY UPDATE, EVENT, OR KEY REPORT

NOTICES OF FUNDING OPPORTUNITY (NOFOs) / GRANT AWARDS

July 18, 2019. The Federal Railroad Administration (FRA) is making a FY 2019 discretionary grant available under the "Rail Safety Innovations Deserving Exploratory Analysis (Rail Safety IDEA)" program. The IDEA program seeks railroad related projects that explore innovative concepts that are initiated and proposed by researchers, inventors, universities or companies, both within and outside the usual transportation community. The award ceiling is $400,000. Applications are due on: 07/29/2022 05:00 PM (GMT - 05:00) Eastern Time (US & Canada). See the following URL for more information: Rail Safety Innovations Deserving Exploratory Analysis

July 10, 2019. Operation Lifesaver announced awards of $175,000 in grant funds to 10 transit agencies in eight states to increase rail transit safety public awareness and to implement safety education projects and campaigns. The grant amounts ranged between $7,500 and $20,000 and require each agency to provide a 25 percent match. Operation Lifesaver Award Notice

TRANSPORTATION-RELATED FEDERAL REGISTER NOTICES

July 24, 2019. The Federal Railroad Administration (FRA) published a FRA NPRM (NPRM) in the Federal Register (FR) proposing to require the installation of inward-and-outward facing locomotive image recording devices on all lead locomotives in passenger trains, per a FAST Act (Section 11411) provision. Such recording devices are to record while a lead locomotive is in motion and to retain the data in a crashworthy memory module. FRA is not proposing to require inward-and-outward-facing recording devices in freight locomotives because the FAST Act did not require such regulations and because Class I railroads are already in the process of voluntarily installing recording devices on their locomotives without a Federal requirement. Written comments on the NPRM must be received on or before September 23, 2019.

July 9, 2019. The Pipeline and Hazardous Materials Safety Administration (PHMSA) is extending the comment period for public review and comment on the draft environmental assessment for a special permit request to transport "Methane Refrigerated Liquid" by rail tank car. Comments should be received on or before August 7, 2019. Following is the Federal Register Notice

1./ The FAA has not had a permanent Administrator since Michael Huerta stepped down January 5, 2018. Mr. Daniel Elwell currently serves as the Acting Administrator.
2./ Ms. Deb Millar withdrew her nomination from the STB after President Trump failed to re-nominate her following the expiration of her first term - Ms. Millar served on the STB from 2014-2018. The STB is chaired by Ann D. Begeman, along with Vice Chairman Patrick J. Fuchs and Martin J. Oberman. The STB has two vacancies (one Republican (Schultz nominated) and one Democrat). The Democratic seat awaits a nominee.
3./ The current members of the NTSB are: Honorable Robert Sumwalt (Chairman), Honorable Bruce Landsberg (Vice Chairman) and Honorable Jennifer Homendy.
OTHER REPORTS / NOTICES / NEWS ARTICLES

July 22, 2019. The United States Government Accountability Office (GAO) released a report titled, “RAIL TRANSIT - Federal Transit Administration Could Improve Information on Estimating Project Costs.” It is challenging to manage large complex rail projects (Fixed Guideway Capital Investment Grants (CIG) program) that require substantial investment. To ensure the effective use of limited resources at the federal, state, and local level, it is critical for project sponsors to develop high-quality, reliable cost estimates that account for the variety of interrelated factors that affect the cost to build these projects. The GAO found that the FTA administrator should ensure that FTA’s cost estimating information for project sponsors is consistent with all 12 steps found in GAO’s Cost Estimating and Assessment Guide and that the FTA Administrator should provide a central, easily accessible source with all of FTA’s cost estimating information to help project sponsors improve the reliability of their cost estimates.

July 20, 2019. The U.S. Court of Appeals for the District of Columbia Circuit ruled that section 207(d) of the 2008 Passenger Rail Investment and Improvement Act (PPIIA) was unconstitutional in regards to its proposed dispute settlement provision; however, the court also ruled the rest of the section, which outlines how on-time performance metrics for Amtrak are to be developed, is constitutional. This paves the way for FRA and Amtrak to develop the on-time performance metrics after nearly a decade of litigation. Ruling.

July 19, 2019. The Federal Transit Administration (FTA) published a Dear Colleague Letter to alert the transit industry of an important, upcoming safety deadline. July 19, 2019 marks one year from the compliance deadline for the Public Transportation Agency Safety Plan (PTASP) regulation. The PTASP regulation implements a risk-based Safety Management System approach and requires recipients or sub-recipients of financial assistance under the Urbanized Area Formula Program (49 U.S.C. Section 5307) and rail transit agencies to have a safety plan in place no later than July 20, 2020.

July 16, 2019. The Wall Street Journal reported that the number of U.S. railroad carloads shipped fell 2.9 percent in the first half, according to the Association of American Railroads. Railroad volumes were down due to the effects of trade tensions, severe weather, flooding and cool-downs in pockets of the U.S. economy.

July 12, 2019. PASSED BILL. The U.S. House of Representatives passed HR 2500, “National Defense Authorization Act for Fiscal Year 2020” on a vote of 220-197. Within the bill (Sec. 896) is a provision prohibiting the use of financial assistance (federal funds) in awarding contracts or subcontracts for the procurement of rail rolling stock for use in public transportation from Chinese State Owned Enterprises. The ban was enacted to combat state subsidies and predatory practices employed by the Chinese government to win contracts at well-below competitive market prices, thereby harming American manufacturers. In addition, there is growing concern over cyber security vulnerabilities to national security. A Conference Committee will convene with S 1790 which also includes similar language to iron out differences. In addition, the Wall Street Journal reported on July 7, 2019 that lawmakers are looking to ban military purchases of Chinese-made drones which may be sending information back to the Chinese government. A 2017 Homeland Security memo warned that Chinese-made drones are targeting certain entities to collect and exploit sensitive U.S. data.
July 8, 2019. Amtrak released its AMTRAK SUSTAINABILITY REPORT FY2018 detailing Amtrak’s progress on their annual sustainability goals. Amtrak reported making significant advances in three core areas, safety, customer satisfaction and financial performance.

July 2, 2019. The United States Government Accountability Office (GAO) released a report entitled, "RAIL SAFETY - Freight Trains Are Getting Longer, and Additional Information is Needed to Assess Their Impact." The study/report was initiated by a November 7, 2017 LETTER from Congressman Peter DeFazio and Michael Capuano of the Transportation and Infrastructure Committee to the GAO expressing their concern that “longer trains can create unusually long delays at grade crossings and may pose safety risks to train crews and the public.” The Federal Railroad Administration (FRA) is studying the safety risks of and strategies for operating longer trains. Data provided to GAO indicates that the average length of freight trains has increased by about 25 percent since 2008, with average lengths of 1.2 and 1.4 miles in 2017. Longer freight train length increases efficiencies and economic benefits but the longer trains also have a higher potential for blocking highway-railroad crossings, which is a safety concern. The GAO is recommending that the FRA develop and implement a strategy to share the results on their study on longer trains and work with railroads to engage state and local governments to identify and reduce impacts of longer freight trains on highway-railroad crossings. FRA has concurred with these recommendations. Link to T&I Committee Press Release

July 2, 2019. The Congressional Research Service (CRS) issued a report titled, Effects of Buy America on Transportation Infrastructure and U.S. Manufacturing. Congress over the years has passed several domestic content laws that aim to protect American manufacturing and manufacturing jobs. In 1978, Congress began placing domestic content restrictions on federally funded transportation projects that are carried out by nonfederal government agencies such as state and local governments. The report examines industry trends in the two most directly affected industries: iron and steel manufacturing and railcar and bus manufacturing. It also discusses the effects of Buy America on the transportation system.

June 26, 2019. The U.S. Government Accountability Office (GAO) issued a report title, “DISCRETIONARY TRANSPORTATION GRANTS - Actions Needed to Improve Consistency and Transparency in DOT’s Application Evaluations. The GAO report reviewed US DOTs process for evaluating and awarding INFRA grants for FY 2017/2018. The GAO found a lack of transparency and rationale for awarding approximately $2.3 billion through the FASTLANE and INFRA program. The GAO concludes that the next surface transportation reauthorization should include measures that require greater consistency and transparency into the program.

UPCOMING CONGRESSIONAL CALENDAR (AUGUST/SEPTEMBER)
JULY/AUGUST AND UPCOMING DEADLINES
September 22-25  ARTBA 2019 National Convention, Savannah, Georgia.
October 5-9  AASHTO 2019 Annual Meeting, St. Louis, Missouri.

SCUTTLEBUTT
Ms. Brandye Hendrickson, Deputy Administrator of the Federal Highway Administration (FHWA) has been named as Deputy Director of the American Association of State Highway and Transportation Officials (AASHTO). Prior to being named to the AASHTO position, Ms. Hendrickson served as Deputy Administrator of the FHWA beginning in July 2017, and also served as the agency’s interim Administrator until Ms. Nicole Nason was confirmed as the Administrator in March 2019. Before joining either AASHTO or FHWA, Ms. Hendrickson served as Commissioner of the Indiana Department of Transportation and is a certified professional in human resources.

Senate Committee on Environment and Public Works Chairman John Barrasso (R-WY) and Ranking Member Tom Carper (D-DE) are assembling a bipartisan highway bill (reauthorization of the FAST Act which expires September 30, 2020) which may be unveiled prior to the “August Recess,” which begins on July 27 for the House and August 3 for the Senate and runs through September 8 for both chambers. Barrasso and Carper have indicated that their bill will have a term of five years, maintain each state’s share of highway formula funding, distribute over 90 percent to state DOT’s via formula, and speed project deliver through streamlining. AASHTO President Carlos Braceras, Utah, has indicated that just to maintain current Highway Trust Fund spending levels, including an inflation factor, Congress would have to locate another $90 billion dollars to pursue a five-year measure.

The Senate Appropriations Committee will not markup any of is FY 2020 appropriation bills before the August Recess.
As of July 31, 2019 – 62 days remain until FY 2019 US DOT appropriations expire and, 428 days remain until the FAST Act expires, and 1,523 days remain until the FAA Reauthorization Act of 2018 expires.

**CONGRESS**

**SELECTED CONGRESSIONAL HEARINGS**

**June 26, 2019.** The Senate Committee on Budget held a hearing to discuss and receive testimony on: “Fixing a Broken Budget and Spending Process: Securing the Nation’s Fiscal Future.” [Committee Link and Testimony](#)

**June 26, 2019.** The House Committee on Transportation and Infrastructure held a Full Committee Markup to consider several following bills and to address other business. Among the bills to be marked up is [HR 2726](#), Banning Smoking on Amtrak Act of 2019, and [HR 3362](#), Small Airports Mothers' Rooms Act of 2019. [Committee Markup Link](#)

**June 26, 2019.** The Senate Committee on Commerce, Science and Transportation held a hearing to discuss and receive testimony on: “Amtrak: Next Steps for Passenger Rail.” [Committee Link and Testimony](#)

**June 25, 2019.** The Senate Committee on Commerce, Science and Transportation held a hearing to discuss and receive testimony on: “Examining Technological Innovations in Transportation.” [Committee Link and Testimony](#)

**June 25, 2019.** The House Committee on Homeland Security held a hearing to discuss and receive testimony on: “Cybersecurity Challenges for State and Local Governments: Assessing How the Federal Government Can Help.” [Committee Link and Testimony](#)

**June 25, 2019.** The House Committee on Transportation and Infrastructure held a hearing to discuss and receive testimony on: “Examining the Role of Mobility on Demand (MOD) in Surface Transportation Policy.” [Committee Link and Testimony](#)

**June 25, 2019.** The House Committee on Oversight and Reform held a hearing to discuss and receive testimony on: “Identifying, Resolving, and Preventing Vulnerabilities in TSA’s Security Operations.” See Charles Michael Johnson, Jr., Managing Director, Homeland Security and Justice Team testimony under “OTHER REPORTS” section. [Committee Link and Testimony](#)

**June 20, 2019.** The House Committee on Transportation and Infrastructure, Subcommittee on Railroads held a hearing to discuss and receive testimony on: “The State of the Rail Workforce.” [Committee Link and Testimony](#)

**June 19, 2019.** The Senate Committee on Commerce, Science and Transportation held a hearing to discuss and receive testimony from several Administrators, (FRA, FMCSA, and NHTSA) concerning: “FAST Act: Reauthorization: Transportation and Safety Issues.” [Committee Link and Testimony](#)

**June 12, 2019.** The Senate Committee on Commerce, Science and Transportation held a hearing to discuss and receive testimony concerning” “Oversight of the Federal Communications Commission.” The issue revolving around whether or not to open-up the 5.9 GHz spectrum to non-transportation use was highlighted. AASHTO submitted testimony urging the Committee
to maintain a “transportation-only” allocation of 5.9 GHz for transportation safety purposes. [Committee Link and Testimony](Committee Link and Testimony) and [AASHTO Letter](AASHTO Letter).

June 11, 2019. The House Committee on Appropriations approved the [FY 2020 Department of Homeland Security Bill](FY 2020 Department of Homeland Security Bill) on a vote of 29 to 20 and were ordered reported, as amended. The committee mark recommends $63.8 billion in total discretionary appropriations for the Department of Homeland Security, including $49.7 billion within the bill’s 302(b) allocation and $14.1 billion as a budget cap adjustment for major disaster response and recovery activities. The overall total is an increase of $2.2 billion above the fiscal year 2019 funding level, and $1.9 billion below the president’s budget request. See June 5 for Department of Homeland Security funding table.


<table>
<thead>
<tr>
<th>Selected Programs</th>
<th>FY 2019</th>
<th>House Proposed FY 2020</th>
<th>Pct. Change</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Homeland Security Grant Program</td>
<td>525,000,000</td>
<td>625,000,000</td>
<td>19.05%</td>
<td>100,000,000</td>
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<tr>
<td>Urban Area Security Initiative</td>
<td>640,000,000</td>
<td>700,000,000</td>
<td>9.38%</td>
<td>60,000,000</td>
</tr>
<tr>
<td>Public Transportation Security Assistance, Railroad Security Assistance, and Over-the-Road Bus Security Assistance</td>
<td>100,000,000</td>
<td>110,000,000</td>
<td>10.00%</td>
<td>10,000,000</td>
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<tr>
<td>Amtrak Security (set-aside)</td>
<td>(10,000,000)</td>
<td>(10,000,000)</td>
<td>0.00%</td>
<td>No Change</td>
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<td>Over-the-Road Bus Security (set-aside)</td>
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<td>(2,000,000)</td>
<td>0.00%</td>
<td>No Change</td>
</tr>
<tr>
<td>Port Security Grants</td>
<td>100,000,000</td>
<td>110,000,000</td>
<td>10.00%</td>
<td>10,000,000</td>
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<tr>
<td>Assistance to Firefighter Grants</td>
<td>350,000,000</td>
<td>375,000,000</td>
<td>7.14%</td>
<td>25,000,000</td>
</tr>
</tbody>
</table>

Note: The FY 2020 House proposal includes $20 million for reimbursements to airports for legacy purchases of inline explosive detection systems.

June 4, 2019. The full House Appropriations Committee approved the [FY 2020 Transportation, Housing and Urban Development, and Related Agencies bill](FY 2020 Transportation, Housing and Urban Development, and Related Agencies bill (HR 3163)) on a vote of 29 to 21 – on a strict party-line vote. A non-controversial “Manager’s Amendment” was offered and approved by voice vote by Congressman David Price (D-NC), who is also the Chairman of the Appropriations Subcommittee on Transportation, Housing, and Urban Development, and Related Agencies. Republicans opposed HR 3163 largely because the bill is based on the overall $1.295 trillion discretionary budget cap number passed by the House Budget Committee in April, a number that is $176 billion more than the Office of Management and Budget Revised budget cap number. Moreover, the increased funding provided by the House Budget Committee has not been agreed-to by the Senate or the Administration. The accompanying [House Report 116-106](House Report 116-106) was filed on June 6, 2019. Overall, HR 3163 provides $137.1 billion in budgetary resources, an increase of $6 billion above enacted FY 2019 funding (this number includes US DOT/HUD). US DOT budgetary resources total $86.6 billion, a $168 million increase over FY 2019. HR 3163 fully funds
highway and public transportation funding as authorized in the FAST-Act and aviation funding as authorized in the “FAA Reauthorization Act of 2018.” The bill also provides supplementary general funds for highways ($1.75 billion), public transportation ($750 million), aviation ($500 million), $350 million for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program, $350 million for the Federal-State Partnership for State of Good Repairs program and $1 billion for the BUILD program. Appropriations Committee statements from Chairwoman Lowey and Subcommittee Chairman Price can be found here: Statements See Minibus No. 2 under APPROPRIATION / BUDGET RESOLUTION PROCESS heading. This bill passed the House of Representatives on June 10, 2019.

SELECTED CONGRESSIONAL BILLS (JUNE)

Go to this link and type in bill number: Congress.Gov Bill Search

<table>
<thead>
<tr>
<th>HOUSE</th>
<th>SENATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HR 3469</strong></td>
<td><strong>S Res 259</strong></td>
</tr>
<tr>
<td>E. Cummings (D-MD)</td>
<td>R. Johnson (R-WI)</td>
</tr>
<tr>
<td>To direct the TSA to carry out covert testing and risk mitigation improvement of aviation security operations. Introduced 6/25/19.</td>
<td>A resolution expressing that U.S. leadership in 5G wireless technology is a national priority. Introduced 6/24/19.</td>
</tr>
<tr>
<td><strong>HR 3388</strong></td>
<td><strong>S 1939</strong></td>
</tr>
<tr>
<td>M. DeSaulnier (D-CA)</td>
<td>Catherine Cortez Masto (D-NV)</td>
</tr>
<tr>
<td>To establish the Strengthening Mobility and Revolutionizing Transportation (SMART) Challenge Grant Program to promote technological innovation in our Nation’s communities. Introduced 6/20/19.</td>
<td>To establish the Strengthening Mobility and Revolutionizing Transportation (SMART) Challenge Grant Program to promote technological innovation in our Nation’s communities. Introduced 6/20/19.</td>
</tr>
<tr>
<td><strong>HR 3262</strong></td>
<td><strong>S 1709</strong></td>
</tr>
<tr>
<td>C. H. Smith (R-NJ)</td>
<td>D. Jones (D-AL)</td>
</tr>
<tr>
<td>To compel States to require illuminated signs and other measures on ride-hailing vehicles, to prohibit the sale of such signs and to implement an electronic access system on ride-hailing vehicles. Introduced 6/13/19.</td>
<td>To establish a grant program to improve evacuation routes in rural communities, and for other purposes. Introduced 6/4/19.</td>
</tr>
<tr>
<td><strong>HR 3261</strong></td>
<td><strong>S 1871</strong></td>
</tr>
<tr>
<td>T. Cardenas (D-CA)</td>
<td>B. L. Cardin (D-MD)</td>
</tr>
<tr>
<td>To establish a Smart Technology Traffic Signals Grant Program. Introduced 6/13/19.</td>
<td>To compel States to require illuminated signs and other measures on ride-hailing vehicles, to require transportation network companies to implement an electronic access system on ride-hailing vehicles. Introduced 6/13/19.</td>
</tr>
<tr>
<td><strong>HR 3193</strong></td>
<td><strong>S 1822</strong></td>
</tr>
<tr>
<td>J. Garamendi (D-CA)</td>
<td>R. Wicker (R-MS)</td>
</tr>
<tr>
<td>Transportation Emergency Relief Funds Availability Act, to safeguard federal funding for disaster-recovery transportation projects. Introduced 6/11/19.</td>
<td>To require the FCC to issue rules relating to the collection of data with respect to the availability of broadband services. Introduced 6/12/19.</td>
</tr>
<tr>
<td><strong>HR 3184</strong></td>
<td><strong>S 846</strong></td>
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<tr>
<td>J. Moolenaar (R-MI)</td>
<td>J. Cornyn (R-TX)</td>
</tr>
</tbody>
</table>
### JUNE UPDATE - CONTINUED

<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Description</th>
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<tbody>
<tr>
<td>HR 3163</td>
<td>D. Price (D-NC) Making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies. Introduced 6/6/19.</td>
</tr>
<tr>
<td>H Rpt 116-106</td>
<td>Offered as an amendment by (J. Inhofe (R-OK) on 6/19/19 to the National Defense Authorization Act for FY 2020 (S 1790).</td>
</tr>
<tr>
<td>HR 3156</td>
<td>Y. Clarke (D-NY) “Smart Technologies Advancing Reliable Transportation Act” aka the “START Act” - To promote the use of smart technologies and systems in communities. Introduced 6/6/19.</td>
</tr>
<tr>
<td>HR 3060</td>
<td>S. Jackson Lee (D-TX) “FEMA Modernization Act of 2019” - To provide for reform and reorganization of FEMA. Introduced 6/3/19.</td>
</tr>
</tbody>
</table>

### APPROPRIATION / BUDGET RESOLUTION PROCESS

**Overall.** The House Committee on Appropriations is breaking-up the 12 FY 2020 appropriations bills into several minibus packages. [A minibus bill is similar to an omnibus bill (an omnibus bill is a super bill that can include up to all 12 appropriation bills), the difference being that a minibus only includes a few regular appropriations bills.] House Democrats plan to complete all 12 appropriation bills by the end of June (not likely). To date, no FY 2020 appropriation bills have been enacted – FY 2020 begins October 1, 2019.

Meanwhile, Senate Committee on Appropriations Chairman Richard Shelby (R-AL) has indicated that he is holding off on advancing any appropriations bills until the House, Senate and the Administration are in agreement on the overall budget caps that establish budget priorities, and define the parameters for all subsequent budgetary actions, including the subdivide the amounts (Section 302(b) of the Budget Act) allocated to the House and Senate Appropriations Subcommittees.

**June 10, 2019.** **HOUSE-PASSED Minibus Package No. 2 (HR 3055)** - is comprised of five FY 2020 spending bills: 1) Commerce, Justice, Science, 2) Agriculture, Rural Development, Food and Drug Administration, 3) Department of the Interior, Environment, 4) Military Construction, Veterans Affairs, and 5) Departments of Transportation, and Housing and Urban Development. In advance of floor consideration the Committee released a [HR 3055 Division X Division Summary](#) – THUD begins on pg. 12. **Minibus No. 2 passed the House of Representatives on June 25, 2019, 227 to 194.**

Minibus No. 2 Agreed-to Amendments of Interest:

- **H. Amendment 479 to HR 3055** - increases the existing set aside within the BUILD grant program to $20 million from $15 million, for planning, preparation, or design of transit, transit-oriented development, and multimodal projects; and
H. Amendment 467 to HR 3055 – an en bloc amendment (multiple amendments), one of which (No. 259) prevents Amtrak from using any FY 2020 funding in contravention of the Worker Adjustment and Retraining Notification Act.

June 3, 2019. HOUSE-PASSSED Minibus Package No. 1 (HR 2740) - is comprised of five FY 2020 spending bills: 1) Labor-Health and Human Services-Education, 2) Legislative Branch (subsequently removed by leadership), 3) Defense, 4) State-Foreign Operations, and 5) Energy and Water Development. Two bills within this minibus (Labor-HHS-Education / Defense) are the two largest of the 12 annual appropriation bills and account for more than 70 percent of discretionary spending. The House Appropriations Committee approved all five of the aforementioned bills this past May. Minibus 1 Rules Committee Print

Minibus No. 1 passed the House of Representatives on June 19, 2019, 226 to 203.

EXECUTIVE BRANCH

June 18, 2019. The Administration released a Statement of Administrative Policy (SAP) opposing House passage of H.R. 3055 (Minibus No. 2) due to the budgetary framework which would result in increasing discretionary spending caps by more than $350 billion in FYs 2020 and 2021 and because the bill does not reflect either a House-passed budget resolution or a bipartisan, bicameral agreement.

Regarding the Transportation Division within the bill, the SAP opposes: certain proposed Capital Investment Grant policy provisions, status quo funding for Amtrak, constraints on US DOT in efforts to terminate grant agreements with the California High Speed Rail Authority, the lack of Essential Air Service Reforms and the proposal to eliminate the requirement that TIFIA-supported projects be funded at least 20 percent by non-federal assistance.

June 11, 2019. The Administration released a Statement of Administrative Policy opposing House passage of H.R. 2740 (Minibus No. 1), as amended by the House Committee on Rules due to the budgetary framework that underlies the bill which raises the discretionary spending caps by more than $350 billion in FY 2020/2021 and because the bill does not reflect either a House-passed budget resolution or a bipartisan, bicameral agreement.

PENDING US DOT NOMINATIONS / CONFIRMATIONS / RESIGNATIONS

Note: Updates and/or additions since previous report designated by bold and italic type.

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<td>Carl Whitney Bentzel</td>
<td>Federal Maritime Commission (remainder of five-year term expiring June 30, 2019 and an additional five-year term expiring June 30, 2024)</td>
<td>Received in the Senate and referred to the Committee on Commerce, Science, and Transportation on 6/12/19. Bentzel</td>
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<tr>
<td>Chad Rupe</td>
<td>Administrator of the Rural Utilities Service</td>
<td>President Trump has announced his intent to nominate on 6/17/2019.</td>
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1/ Ms. Deb Millar withdrew her nomination from the STB after President Trump failed to re-nominate her following the expiration of her first term - Ms. Millar served on the STB from 2014-2018. The STB is chaired by Ann D. Begeman, along with Vice Chairman Patrick J. Fuchs and Martin J. Oberman. The STB has two vacancies (one Republican (Schultz nominated) and one Democrat). The Democratic seat awaits a nominee.

**REGULATORY UPDATE, EVENT, OR KEY REPORT**

**OPEN NOFOs**

No relevant Open NOFOs.

**OTHER FEDERAL REGISTER NOTICES**

June 24, 2019. The Transportation Security Administration (TSA) has provided notice summarizing 2018 Enforcement Actions, as required annually by law. TSA has authority to assess civil penalties for violations (up to $10,000) of any surface transportation breach per the "Implementing Recommendations of the 9/11 Commission Act of 2007." Enforcement actions can be found by searching the electronic Federal Docket Management System (FDMS) at: [https://www.regulations.gov/](https://www.regulations.gov/) and by typing in the search bar: TSA-2009-0024.

June 21, 2019. The National Highway Traffic Safety Administration (NHTSA) has issued a Notice of Proposed Rulemaking (NPRM) in response to several petitions to amend the visual inspection labeling requirement concerning "Compressed Natural Gas Fuel Container Integrity." NHTSA has tentatively concluded multiple visual inspections per year based solely on mileage would not improve vehicle safety for these high-mileage CNG heavy vehicles, and could potentially reduce safety. **Comments must be received on or before August 20, 2019.**
JUNE UPDATE - CONTINUED

June 12, 2019. The Federal Railroad Administration published a notice proposing to amend its regulations requiring commuter and intercity passenger railroads to develop and a system safety program (SSP) to improve the safety of their operations. Comments on the FR Proposed Rule must be received on or before August 12, 2019.

June 6, 2019. The US Department of Transportation issued a Notice of Funding Opportunity (NOFO) for the Advanced Transportation and Congestion Management Technologies Deployment Initiative (ATCMTD) via Grants.Gov. The NOFO was not published in the Federal Register. The NOFO provides up to $60 million in federal funding to provide grants to eligible entities to develop model deployment sites for large scale installation and operation of advanced transportation technologies to improve safety, efficiency, system performance, and infrastructure investment. The submission deadline is July 19, 2019 at 11:59 PM ET through www.grants.gov. The US DOT will make no fewer than 5 and no more than 10 awards of up to $12 million individually. The NOFO solicitation and a FAQ document can be found at: https://www.grants.gov (in the search box type in "transportation").

OTHER REPORTS / NOTICES / NEWS ARTICLES

June 25, 2019. The Congressional Budget Office released a report entitled “The 2019 Long-Term Budget Outlook.” The report notes, that “Large budget deficits over the next 30 years are projected to drive federal debt held by the public to unprecedented levels—from 78 percent of gross domestic product (GDP) in 2019 to 144 percent by 2049.” Link to CBO Report

June 18, 2019. The Council of Supply Chain Management Professionals (CSCMP) released their 30th Annual "State of Logistics Report", authored by A.T. Kearney and sponsored by Penske Logistics, at the National Press Club in Washington. The report has tracked and measured all costs associated with moving freight through the U.S. supply chain since 1988. The report noted that freight rates were up across the board in the most inflationary year for logistics costs in the last decade. At a cost the report can be obtained here: 30th Annual State of Logistics Report

June 12, 2019. The Federal Railroad Administration announced $326 Million in Awards under the Consolidated Rail Infrastructure Program (CRISI) and the Special Transportation circumstances Program. The grants will fund 45 projects in 29 states.

June 6, 2019. Amtrak announced two leadership and Organizational Changes. Ms. Tracie Winbigler will serve as Amtrak's Executive Vice President and Chief Financial Officer and Stephen Gardner will serve in the newly-created role of Chief Operating and Commercial Officer, reporting directly to CEO Richard Anderson.

June 4, 2019. the US Government Accountability Office released Homeland Security Testimony from William Russell, Acting Director, Homeland Security and Justice concerning "AVIATION SECURITY - TSA Has Policies That Prohibit Unlawful Profiling But Should Improve Its Oversight of Behavior Detection Activities" that summarizes the April 2019 GAO Report on TSA’s measures to prevent behavior detection activities from resulting in unlawful profiling. The testimony of William Russel acknowledges that TSA policies and procedures were reviewed, TSA officials interviewed and civil rights and civil liberties complaints were analyzed from the period October 2015-February 2018. In summary, the TSA Contact Center (TCC) received 3,663 complaints related to
passenger screening alleging violations of civil rights and civil liberties from the period October 2015-February 2018. The
Multicultural Branch of TSA reviewed 2,059 complaints and found that 50 percent of the complaints had indications of potential
discrimination and unprofessional conduct that involved race or other factors. The Multicultural Branch reported that it took a
range of disciplinary actions and provided refresher training as a proactive measure.

June 4, 2019. The Congressional Research Service (CRS) released a report entitled **Highway and Public Transit Funding Issues**
summarizing funding issues and presenting possible options. The report notes that “the annual difference between [HTF]
revenues and outlays is expected to rise from $16 billion in FY 2021 to $22.5 billion in FY 2026.”

June 4, 2019. The Congressional Research Service (CRS) released a report entitled **Reauthorizing Highway and Transit Funding Programs** summarizing short-term/long-term funding issues and presenting possible options. The report notes that “an increase
of fuel taxes in the range of 10 cents to 15 cents per gallon would be required to fund highway and public transportation
programs at their current levels, adjusted for anticipated inflation.”

May 31, 2019. The Federal Railroad Administration (FRA) has published its **First Quarter 2019 Positive Train Control Status Update**. As of March 31, 2019, PTC systems were in operation on almost 48,050 of the nearly 58,000 route miles subject to the
statutory mandated. All railroads have committed to fully implementing PTC on their required main lines by December 31,
2020-the statutory implementation deadline. A **PTC Infographic** summarizes the railroads' progress toward fully implementing
PTC as of March 31, 2019.

**UPCOMING CONGRESSIONAL CALENDAR (JULY)**

**July**

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**JUNE AND UPCOMING DEADLINES / SCUTTLEBUTT**

July 15    National Infrastructure Investments (BUILD) applications are due.
July 19    Advanced Transportation & Congestion Management Technology Deployment applications are due.
September 22-25 ARTBA 2019 National Convention, Savannah, Georgia.
October 5-9 AASHTO 2019 Annual Meeting, St. Louis, Missouri.
Some Senators are suggesting that the Senate’s five-week August recess (which begins 8/3 and extends through 9/8) be truncated to contend with FY 2020 appropriation bills, to avoid a sweeping continuing resolution. The House calendar shows their recess beginning on 7/27 and extending through 9/8.

Congressional leaders and senior Trump administration officials (Mick Mulvaney-Chief of Staff, Steve Mnuchin-Treasury, and Russell Vought-Budget) met June 19 for a round of discussions concerning FY 2020 spending levels, budget cap levels, and discussions on the looming statutory debt limit, which needs to be address by September. The meeting concluded with no agreement on budget caps; however, the leaders tentatively agreed that if no budget cap/debt ceiling deal is reached that a Continuing Resolution (aka CR) along with a one-year debt limit suspension could be enacted as a compromise. A full-year CR would fund government operations and FY 2019 levels.

According to the Federal Railroad Administration (FRA), the $225 million in FY 2019 Consolidated Rail Infrastructure and Safety Improvement (CRISI) funding made available per the FY 2019 Consolidated Appropriations Act will be issued via a Notice of Funding Opportunity in the Federal Register “later this summer.” The two other general-funded FRA programs from the FY 2019 Act, “Federal-State Partnership for State of Good Repair Grants - $400 million” and “Restoration and Enhancement - $5 million” will also be issued via a NOFO once the FY 2017/2018 Federal-State Partnership for State of Good Repair Grants have been awarded later this year.

From June 30, 2019 – 93 days remain until FY 2019 US DOT appropriations expire, 459 days remain until the FAST Act expires, and 1,554 days remain until the FAA Reauthorization Act of 2018 expires.

CONGRESS

SELECTED CONGRESSIONAL HEARINGS

May 23, 2019. The House Committee on Appropriations, Subcommittee on Transportation, Housing and Urban Development, and Related Agencies approved by voice vote its FY 2020 bill. Link to Notice The Committee Bill provides FAST Act (final year of FAST Act) authorized funding for highways and public transportation, increases the BUILD program by $100 million to $1 billion and provides funding for FRA general funded programs. The bill also provides additional general funds for highways, aviation and public transportation. The bill was forwarded to the full Committee, without amendment. A Full Appropriations Committee markup is tentatively scheduled for the week of June 3-7. TG/A - analysis available upon request.

May 22, 2019. The Full House Committee on Energy and Commerce held a hearing on “Leading Infrastructure For Tomorrow’s America Act” (The LIFT America Act – HR 2471) - a bill to rebuild and modernize the Nation’s infrastructure to expand access to broadband and Next Generation 9–1–1, rehabilitate drinking water infrastructure, modernize the electric grid and energy supply infrastructure, redevelop brownfields, and to strengthen health care infrastructure. Link and Testimony.
May 16, 2019. The House Committee on Transportation met to receive testimony related to “The Impacts of State-Owned Enterprises on Public Transit and Freight Rail Sectors” Chairman DeFazio released a statement prior to hearing witness testimony emphasizing his concern about state-owned enterprises and similar corporations that undercut the U.S. rail and bus rolling stock market, the potential long-term effect on U.S. workers, and cybersecurity risks, and reliability problems. Chair DeFazio Statement and Link and Testimony

May 1, 2019. The House Committee on Transportation and Infrastructure provided an opportunity (Members’ Day Hearing) for Members of the House of Representatives to highlight issues of importance as the Committee develops its legislative agenda. Link and Testimony

SELECTED CONGRESSIONAL BILLS (MAY)

Go to this link and type in bill number: Congress.Gov Bill Search

<table>
<thead>
<tr>
<th>HOUSE</th>
<th>SENATE</th>
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<tbody>
<tr>
<td>HR 228</td>
<td>S 1288</td>
</tr>
<tr>
<td>N. Velazquez (D-NY) Increase Transportation Alternatives Investment Act of 2019.</td>
<td>R. Wyden (D-OR) Clean Energy for America Act, overhauls the federal tax code to encourage clean electricity, clean transportation and energy efficiency. Section by Section</td>
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<tr>
<td>HR 2726</td>
<td>S 1527</td>
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<tr>
<td>E.H. Norton (D-DC) To prohibit smoking on Amtrak trains.</td>
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<td>H Res 380</td>
<td>S 1398</td>
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<tr>
<td>D. Payne (D-NJ) Expressing support for the designation of the week of May 13 through May 20, 2019, as Infrastructure Week.</td>
<td>M. Cantwell (D-WA) To promote the use of smart technologies and systems in communities.</td>
</tr>
<tr>
<td>HR 2541</td>
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<tr>
<td>E. Blumenauer (D-OR) Building United States Infrastructure and Leveraging Development Act/BUILD Act.</td>
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<td>HR 2475</td>
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<td>C. Allred (D-TX) Revitalizing American Priorities for Infrastructure Development Act/RAPID Act.</td>
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<td>F. Pallone (D-NJ) Leading Infrastructure for Tomorrow’s America Act – to modernize the Nation’s access to broadband, Next Generation 911, and rehabilitate drinking water infrastructure / modernize the electric grid / energy supply. Bill Summary</td>
<td></td>
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<td>HR ? Unknown at this time.</td>
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<td>E. Blumenauer (D-OR) Rebuild America Act of 2019, i.e. to incrementally increase the federal tax on gasoline/diesel fuel by 5 cents a year over 5 years and index those taxes to inflation. Blumenauer Press Release</td>
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MAY UPDATE - CONTINUED

APPROPRIATION / BUDGET RESOLUTION PROCESS

May 8, 2019. The House Appropriations Committee approved allocations (302(b)) to its 12 subcommittees (including transportation) for FY 2020; notwithstanding the fact that there is no agreement on a concurrent resolution on the budget. The sub-allocations, aka 302(b), is from Section 302(b) of the Congressional Budget Act of 1974. Theoretically, the 302(b) is derived from an overall number assigned to each House Committee (aka 302(a)) from an agreed-to Budget Resolution. Appropriations Committee Chairwoman Nita Lowey (D-NY) moved forward on designating sub-allocations based on the $1.295 trillion number approved in H Res. 293 by the House of Representatives on April 9, stating (House Approve 302(b) Press Release) “With these sub-allocations, we are enabling a speedier and more orderly appropriations process to get the people’s work done on time.” The sub-allocation provides $75.775 billion in discretionary funding to transportation which is about $4.7 billion more than provided to transportation in FY 2019. The higher number is contingent upon increases in final budget cap numbers.

EXECUTIVE BRANCH

May 23, 2019. The FRA announced that it would withdraw a proposal for freight trains that would require two crew members, reversing a safety measure drafted under President Obama. The announcement has drawn ire from labor unions and is certain to trigger debate.

May 21-22, 2019. The much anticipated follow-up infrastructure meeting (See April 30 below) was summarily abandoned by President Trump allegedly due to the volley of political rhetoric back and forth between the President and House Speaker Nancy Pelosi. However, President Trump had already issued a letter to Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer on May 21 indicating that Congress first pass the “important and popular USMCA trade deal.” The President’s goal is to pass the USMCA (U.S.–Mexico-Canada) by the end of this summer. In addition, late last month (April 30) White House acting Chief of Staff Mick Mulvaney had already dampened hopes of an Administration / Congressional agreement on a $2 trillion infrastructure bill noting that it would be more likely to get the USMCA passed than an infrastructure deal. The President further elaborated on his reasons for aborting the May 22 meeting in a Rose Garden Statement. Speaker Pelosi had issued a pre-meeting Statement and House Transportation and Infrastructure Chairman Pete DeFazio issued a post meeting Statement.

May 13, 2019. The Office of Management and Budget issued a letter (OMB Amendment Letter) to Congress detailing a number of amendments to the FY 2020 Budget for the Departments of Defense, Education, Health and Human Services, Homeland Security, Labor, State and Other International Programs, and Transportation, as well as the Army Corps of Engineers. The amendments were necessary to reflect the Administration’s FY 2020 budget policies.

May 10, 2019. President Donald Trump designated via Executive Order 9883 May 12 – May 18 as National Transportation Week.
May 2, 2019. The Administration issued an Executive Order on Cybersecurity that will implement programs that will grow and strengthen the nation’s cybersecurity workforce, support the development of cybersecurity skills and create the organizational and technological tools required to maximize cybersecurity talents. The new EO will continue to work in conjunction with EO 13800 that was issued on May 11, 2017.

April 30, 2019. President Trump met with Senate Minority Leader Charles Schumer (D-NY), House Speaker Nancy Pelosi (D-CA), Peter DeFazio, Chairman of the House Transportation and Infrastructure Committee and other congressional leaders met to discuss the development of a $2 trillion infrastructure package. Purportedly, the package was agreed upon with the largest shares of the package going to roads, bridges and transit; although, the package is said to also target waste water, harbors and airports. The American Association of State Highway and Transportation Officials (AASHTO) released a statement (AASHTO Supports Bipartisan Infrastructure) applauding the White House/Congressional plan to pursue additional federal investment for infrastructure. Following is a letter from Speaker Pelosi and Minority Leader Schumer to the President concerning the infrastructure meeting Pelosi and Schumer Ltr to President Trump and a press release issued by Congressman DeFazio Press Release.

MORE ANALYSIS on $2 Trillion Infrastructure Package. A primary question concerning the infrastructure package revolves around the financing (how to finance) of the package. Congressman Chris Collins (R-NY), for example, supports doubling the current gasoline tax. The federal gasoline tax of 18.4 cents per gallon, which accounts to about 62 percent of all user fee revenue collected, has remained unchanged since 1993 – 26 years ago (Infographic No. 1 - below left). [In 1997, 4.3 cpg of the federal fuel tax (initially imposed in 1993 for deficit reduction) was redirected to the HTF]. The federal diesel tax is 24.4 cpg with splits of 21.44 cpg to the Highway Account and 2.86 cpg to the Mass Transit Account. Since 1983, every time there has been an increase in the federal fuel tax, the Mass Transit Account of the Highway Trust Fund (HTF) has received a share of 20 percent (Table No. 1 - below right). Any federal fuel tax increase would likely see public transportation receive that same historical split.

| Infographic No. 1. | Table No. 1. |
Since 2008, HTF outlays have exceeded revenues. The CBO HTF May Baseline notes that in FY 2019 outlays will exceed revenues by $12 billion – the outlay disparity grows to $26 billion by FY 2029. Since 2008, $143.6 billion in general funds (and some LUST funds) have been transferred into the HTF to keep the HTF solvent. As a general rule each penny increase to the federal fuel tax provides the HTF with $1.7-$1.8 billion per year. Using CBO numbers, the gap between dedicated surface transportation revenues and spending will average about $20 billion per year – for the next 6-year bill. Hence, no less than an 11 cpg federal fuel tax increase would be needed to keep the HTF solvent through FFY 2026, i.e. at the same size program.

PENDING US DOT NOMINATIONS / CONFIRMATIONS / RESIGNATIONS
(Status Chart Below)

May 7, 2019. Ms. Nicole R. Nason has been sworn in as the 20th Administrator of the US Department of Transportation. The US Senate confirmed Ms. Nason on March 28, 2019 by a vote of 95-1. Since June 2017, Ms. Nason has served as Assistant Secretary of the Bureau of Administration at the US Department of State. Ms. Nason is a past Administrator of the National Highway Traffic Safety Administration. See Nason FHWA Press Release or if difficulty loading use the following URL: https://www.fhwa.dot.gov/pressroom/fhwa1911.cfm

May 7-14, 2019. President Trump followed up on his announcement of May 7, of his intention to nominate Theodore “Todd” Rokita to the Amtrak Board of Directors by sending forward and official nomination on May 14, 2019 - White House Nominates Rokita to Amtrak Board. Mr. Rokita is a former Republican Congressman for Indiana – 2011-2019. Reports have surfaced noting that Mr. Rokita has voted in the past to reduce funding to Amtrak. Mr. Rokita must get confirmed by the Senate. However, Senator Jerry Moran (R-KS) has put a legislative block on the appointment of three Amtrak Board of Directors nominees (below) until he get assurances from Amtrak that the Southwest Chief line (connects Chicago to Los Angeles with stops in Colorado,
Kansas and New Mexico) will continue to operate. See following April 4, 2019 letter from 11 Senators supporting continued service in rural areas: 11 Senators Ltr Supporting Long-Distance Amtrak

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<td>Theodore Rokita (IN)</td>
<td>Director Amtrak Board (Remainder of the term expiring January 3, 2021)</td>
<td>Received in the Senate and referred to the Committee on Commerce, Science, and Transportation. 5/14/19. Rokita</td>
</tr>
<tr>
<td>Michelle A. Schultz (PA)</td>
<td>Surface Transportation Board (New Position)</td>
<td>Nomination received in the Senate (1/16/19) and referred to the Committee on Commerce, Science, and Transportation. Nominated 3/6/18. Schultz 1/</td>
</tr>
</tbody>
</table>

1/ Ms. Deb Millar withdrew her nomination from the STB after President Trump failed to re-nominate her following the expiration of her first term - Ms. Millar served on the STB from 2014-2018. The STB is chaired by Ann D. Begeman, along with Vice Chairman Patrick J. Fuchs and Martin J. Oberman. The STB has two vacancies (one Republican (Schultz nominated) and one Democrat). The Democratic seat awaits a nominee.

REGULATORY UPDATE, EVENT, OR KEY REPORT

OPEN NOFOS

May 8, 2019. The Federal Transit Administration (FTA) issued a Notice of Funding Opportunity (NOFO) (FTA NOFO for Integrated Mobility Innovation Pgm) soliciting applications for the Integrated Mobility Innovation (IMI) program. The NOFO announces the availability of $15 million in FY 2017/FY 2018 research funds; however, FTA may award additional funds if they
Eligible applicants are providers of public transportation, including public transportation agencies, state/local government DOTs and federally recognized Indian tribes. The federal share of project costs under this program is limited to 80 percent. There is no minimum or maximum award amount. Applications must be submitted by 11:59 pm ET on August 6, 2019 through Grants.gov. The IMI program's strategic goal is to lead the development of innovative practices and technologies that improve the performance of the nation's transportation system and support economic growth. Awarded funds will fund solutions in one or more of the following three areas: 1.) Mobility on Demand (MOD) Sandbox Demonstration projects; 2.) Strategic Transit Automation Research (STAR) projects; and 3.) Mobility Payment Integration (MPI).

OTHER REPORTS / NOTICES / NEWS ARTICLES

May 23, 2019. AASHTO passed a Resolution at their 2019 spring meeting in Park City, UT, suggesting four revenue-generating options for Congressional consideration, including an increase in the federal fuel tax, a tax on a barrel of oil, a freight-based user fee and a mileage-based user fee.

May 16, 2019. The Federal Railroad Administration has terminated a Cooperative Agreement FRA De-Obligate CA HSR Funds with the California High-Speed Rail Authority (CHSRA) and will de-obligate $928.6 million due to lack of demonstrated progress from the CHSRA to establish service connecting San Francisco and Los Angeles. FRA may issue a new NOFO soliciting applicants for the re-captured funds. Provided the CHSRA funds are de-obligated upon the conclusion of any possible CHSRA-initiated litigation, Section 192 of the FY 2020 US DOT Approp Bill approved by the House Committee on Appropriations on May 23 specifies the process for making the funds available through the re-issuance of a NOFO.

May 13, 2019. A new report released by the American Society of Civil Engineers (ASCE) and the Eno Center for Transportation, Maximizing the Value of Investments Using Life Cycle Cost Analysis, reviews the current use of LCCA and how it might be used in the U.S. to make decisions about future projects and costs.

May 10, 2019. The American Association of State Highway and Transportation Officials (AASHTO) released their 37th annual “Survey of State Funding of Public Transportation.” The survey details to the extent that State DOTs support public transportation, i.e. via 2017 data State DOTs spent $19.04 billion in overall transit funding, while federal funds totaled $11.88 billion. The survey noted that federal funds accounted for more than 50 percent of the total transit funding in 36 states while state funding exceeded federal funding in the remaining states. The report can be obtained from the AASHTO Publication Store. AASHTO member price is $10.00 and the non-member price is $13.00.

May 9, 2019. The Congressional Budget Office released An Analysis of the President's 2020 Budget. Under the President’s proposals, deficits would total $9.9 trillion over the 2020–2029 period, $1.5 trillion less than the deficits in CBO’s current-law baseline. Federal debt held by the public would increase from 78 percent of GDP in 2019 to 87 percent in 2029.
MAY UPDATE - CONTINUED

CONGRESSIONAL CALENDAR

MAY AND UPCOMING DEADLINES
May 20-23  AASHTO Spring Meeting at Canyons Village, Park City, Utah 84098
  AASHTO Spring Meeting
May 28  FTA will host a webinar to provide more information about FTA’s Grants for Buses and Bus Facilities Program (5339(b)) and FTA’s FY19 notice of funding.
June 4-6  American Road and Transportation Builders Association (ARTBA) “Transportation Construction Professional Development Week” in Washington, D.C. Registration and Link
July 15  National Infrastructure Investments (BUILD) applications due.

APRIL UPDATE

CONGRESS
ONGOING:

April 2019. TG&A and Buchanan team continue to liaise with UP and BNSF DC staff to schedule calls to discuss next steps for the Stockton Diamond project.

SELECTED CONGRESSIONAL HEARINGS
April 10, 2019. The House Committee on Appropriations, Subcommittee on Transportation, and Housing and Urban Development, and Related Agencies met to receive testimony from US DOT Secretary Elaine Chao related to the “Department of
Transportation Budget Request for Fiscal Year 2020.” Covered by TG&A - summary available upon request. Link and Testimony

April 2, 2019. The House Committee on Appropriations, Subcommittee on Homeland Security met to receive testimony related to the “FY 2020 Budget Hearing – Transportation Security Administration.” Link and Testimony

SELECTED CONGRESSIONAL BILLS (APRIL)

<table>
<thead>
<tr>
<th>HOUSE</th>
<th>SENATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR 2164 Julia Brownley (D-CA) Requires any bus purchased for use in public transportation with funds provided by the FTA to be a zero emission bus</td>
<td>TBA G. Peters (D-MI) Vehicle Innovation Act</td>
</tr>
<tr>
<td>HR 2157 N. Lowey (D-NY) Supplemental Appropriations Act, 2019</td>
<td>S 1098 B. Cardin (D-MD) To improve the transportation alternatives program</td>
</tr>
<tr>
<td>HR 2130 D. Kilmer (D-WA) To provide grants to assist States in developing and implementing plans to address cybersecurity threats or vulnerabilities</td>
<td></td>
</tr>
</tbody>
</table>

APPROPRIATION / BUDGET RESOLUTION PROCESS

April 3, 2019. The House Budget Committee passed a two-year budget (FY 2020 and FY 2021) (19 YEAs to 17 NAYs) known as the “Investing for the People Act of 2019.” HR 2021 The bill proposes to raise the defense and non-defense caps for FY 2020 and 2021. In FY 2020, the defense ($664 billion) and non-defense ($631 billion) caps were each raised $87.8 billion over the Office of Management and Budget estimates per the OMB Sequestration Report. The Full House is not expected to address the bill until after the two-week recess that begins on April 13, 2019. The budget resolution is a “concurrent” congressional resolution, not an ordinary bill, and therefore does not go to the President for his signature or veto. Both the House and Senate use the overall spending numbers to craft their appropriations bills.

House Proposed Budget Caps Table:
EXECUTIVE BRANCH

April 10, 2019. The Government Accountability Office (GAO) released a report titled The Nation's Fiscal Health that provides an update on the nation's fiscal health as of the end of FY 2018, and describes its likely fiscal future if policies do not change. The GAO’s findings include: 1) the federal government’s current fiscal path is unsustainable, 2) the federal deficit increased to $779 billion—and will reach $1 trillion in the next few years for the first time since 2012, 3) publicly held debt ($15.8 trillion) was 78 percent of Gross Domestic Product (GDP) at the end of FY 2018 and will surpass its historical high of 106 percent within 13 to 20 years—sooner than projected last year. Other agencies join GAO in saying that the longer action is delayed, the greater and more drastic the changes will have to be to attain a sustainable fiscal future.

---

**HOUSE BUDGET COMMITTEE - PROPOSED BUDGET CAPS FY 2020/2021**

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original Caps</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security (Defense)</td>
<td>630,000</td>
<td>644,000</td>
</tr>
<tr>
<td>NonSecurity (NonDefense)</td>
<td>578,000</td>
<td>590,000</td>
</tr>
<tr>
<td><strong>OMB Reductions to Meet Joint Committee Deficit Reduction Requirement (Mandatory)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security (Defense)</td>
<td>(53,825)</td>
<td>(53,814)</td>
</tr>
<tr>
<td>NonSecurity (NonDefense)</td>
<td>(34,807)</td>
<td>(33,867)</td>
</tr>
<tr>
<td><strong>OMB EST. REVISED BUDGET CONTROL CAPS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security (Defense)</td>
<td>576,175</td>
<td>590,186</td>
</tr>
<tr>
<td>NonSecurity (NonDefense)</td>
<td>543,193</td>
<td>556,133</td>
</tr>
<tr>
<td><strong>OMB Total FY 2020 Discretionary Spending:</strong></td>
<td>1,119,368</td>
<td>1,146,319</td>
</tr>
</tbody>
</table>

**HR 2021 - INVESTING FOR THE PEOPLE ACT 2019**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Security (Defense)</td>
<td>664,000</td>
<td>680,119</td>
</tr>
<tr>
<td>NonSecurity (NonDefense)</td>
<td>631,018</td>
<td>646,056</td>
</tr>
<tr>
<td><strong>Security (Defense) - INCREASE in CAPS</strong></td>
<td>87,825</td>
<td>89,933</td>
</tr>
<tr>
<td><strong>Nonsecurity (NonDefense) - INCREASE in CAPS</strong></td>
<td>87,825</td>
<td>89,923</td>
</tr>
<tr>
<td><strong>INCREASED CAPS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House (HR 2021) Total FY 2020 Discretionary Spending:</td>
<td>1,295,018</td>
<td>1,326,175</td>
</tr>
</tbody>
</table>
April 10, 2019. The Department of the Treasury released their first quarter bulletin Treasury March 2019 Bulletin which provides a profile of the U.S. economy and also provides end-of-year balance projections for several transportation trust funds. Provided below is a table summarizing the status and projections of several transportation trust funds.

<table>
<thead>
<tr>
<th>Department of Treasury Bulletin - Profile of the Economy</th>
<th>Transportation Trust Fund Balances and Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>March-19</td>
<td>($ Billions)</td>
</tr>
<tr>
<td>Airport and Airway Trust Fund</td>
<td>15.086</td>
</tr>
<tr>
<td>Highway Trust Fund</td>
<td>56.293</td>
</tr>
<tr>
<td>Highway Account</td>
<td>Not Broken Out</td>
</tr>
<tr>
<td>Mass Transit Account</td>
<td>Not Broken Out</td>
</tr>
<tr>
<td>Inland Waterways Trust Fund</td>
<td>63.396</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PENDING US DOT NOMINATIONS/RESIGNATIONS</th>
</tr>
</thead>
</table>

April 3, 2019. The Senate Committee on Commerce, Science and Transportation approved several transportation nominees (subject to approval by the full Senate) Senate Comm Approve Nominees

<table>
<thead>
<tr>
<th>NAME</th>
<th>US DOT ADMINISTRATOR / OTHER</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Diana Furchtgott-Roth</td>
<td>Assistant Sec. of Transportation</td>
<td>Senate Commerce Committee approved 4/3/19, YEAs 14-NAYs 12. Roth</td>
</tr>
<tr>
<td>Ms. Nicole Nason</td>
<td>FHWA Administrator</td>
<td>Nomination Confirmed 3/28/19 YEAs 95 NAYs 1 Nason</td>
</tr>
<tr>
<td>Ms. Thelma Drake</td>
<td>FTA Administrator</td>
<td>Reported by Senate Banking 3/12/19, on Exec. Calendar Drake</td>
</tr>
<tr>
<td>Mr. Stephen Dickson</td>
<td>FAA Administrator</td>
<td>Nominated 3/19/19</td>
</tr>
<tr>
<td>Ms. Heidi King</td>
<td>NHTSA Administrator</td>
<td>Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs 12. King</td>
</tr>
<tr>
<td>Name</td>
<td>Position/Board &amp; Term</td>
<td>Action/Approved Date &amp; Vote</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>--------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Joseph Ryan Gruters</td>
<td>Director Amtrak Board (5 Yr. Term)</td>
<td>Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs</td>
</tr>
<tr>
<td>Leon A. Westmoreland</td>
<td>Director Amtrak Board (5 Yr. Term)</td>
<td>Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs</td>
</tr>
<tr>
<td>Rick A. Dearborn (OK)</td>
<td>Director Amtrak Board (5 Yr. Term)</td>
<td>Senate Commerce Committee approved 4/3/2019, YEAs 14-NAYs</td>
</tr>
<tr>
<td>Ms. Deb Miller</td>
<td>Surface Transportation Board</td>
<td>Nomination withdrawn 1/</td>
</tr>
</tbody>
</table>

1/ Ms. Millar served on the STB from 2014-2018. The Board is chaired by Ann D. Begeman, along with Vice Chairman Patrick J. Fuchs and Martin J. Oberman. The Board has two vacancies (one Republican and one Democrat).
2/ On April 10, 2019, Kevin K. McAleenan assumed the role as Acting Secretary of the Department of Homeland Security. On April 11, 2019, Acting Secretary McAleenan designated David P. Pekoske, the Transportation Security Administration (TSA) Administrator to perform the duties of the Department of Homeland Security (DHS) Deputy Security. Patricia Cogswell, TSA's Acting Deputy Administrator, was designated to oversee the day-to-day operations at TSA.

### REGULATORY UPDATE, EVENT, OR KEY REPORT

**OPEN NOFOs**

**April 16, 2019.** The US DOT has issued a Notice of Funding Opportunity (NOFO) for the National Infrastructure Investments (BUILD) program for FY 2019. Funding for surface transportation projects ($900 million) is to be awarded on a competitive basis. **Applications must be submitted by 8:00 PM E.D.T. on July 15, 2019.** Following is a link [Grants.Gov BUILD NOFO FY 2019](https://grants.gov/grants/view/prior/116877) to the NOFO. This is the 11th iteration of the TIGER/BUILD program since its inception under the American Recovery and Reinvestment Act of 2009. To date, $7.1 billion in grants have been awarded under the previous 10 rounds of the program.

**April 12, 2019.** The Department of Homeland Security announced the release of FY 2019 Notices of Funding Opportunity for eight DHS preparedness grant programs, including but not limited to: Intercity Passenger Rail - Amtrak (IPR) Program at $10 million; the Port Security Grant Program (PSGP) at $100 million; the Transit Security Grant Program (TSGP) at $88 million, and the Intercity Bus Security Grant Program (IBSGP) at $2 million. [DHS FY 2019 Preparedness Grants Press Release](https://www.dhs.gov/press-release/department-homeland-security-announces-2019-fiscal-year-notices-funding-opportunity-eight-dhs-preparedness-grant)

**April 5, 2019.** The Environmental Protection Agency (EPA) published a Notice of Funding Availability (NOFA) in the Federal Register [EPA NOFA Credit Assistance Under WIFIA](https://www.epa.gov/region-6/notice-funding-availability-epa-cr) soliciting Letters of Interest (LOIs) from prospective borrowers seeking credit assistance from the Water Infrastructure Finance and Innovation Act (WIFIA). The Consolidated Appropriations Act, 2019 provided $60 million in budget authority under the WIFIA program to cover the subsidy cost of providing WIFIA credit assistance. The WIFIA authorizes the EPA to provide federal credit assistance in the form of secured (direct) loans or loan guarantees for eligible water infrastructure projects. All LOIs documents should be uploaded no later than 5:00 p.m. EDT on July 1, 2019, to EPA's SharePoint site. See the FR for submittal and selection criteria details.
| APRIL UPDATE - CONTINUED | **April 3, 2019.** The Environmental Protection Agency (EPA) published a Notice of Funding Opportunity (NOFO) in the Federal Register (FR) [EPA FR NOFO Brownfields Revolving Loan Fund](https://www.epa.gov/revolving-loan-fund) for supplemental funds ($8 million) to the Revolving Loans Fund (RLF) and RLF grantees. The funding is to assist for brownfields revitalization, including grants for assessment, cleanup (hazardous substances and/or petroleum) and job training. In order to be considered for supplemental funding, grantees must demonstrate that they have significantly depleted funds (both EPA grant funding and any available program income) and that they have a clear plan for utilizing requested additional funds in a timely manner. Applicants for supplemental funding must contact the appropriate Regional Brownfields Coordinator as noted in the FR. Requests for funding must be submitted to the appropriate EPA coordinator by May 6, 2019. |
| REPORTS / NOTICES / ARTICLES | **April 22, 2019.** The Federal Transit Administration notified grant recipients that [Fiscal Year 2019 Apportionments](https://www.fas.dot.gov/fy2019/2019apportionments) are now available for award and obligation in the Transit Award Management System (TrAMS). The Federal Register notice detailing the FY 2019 Apportionments in narrative form will be published soon. |
| | **April 19, 2019.** The American Public Transportation Association (APTA) issued a report [APTA Ridership Report](https://www.apta.com/newsroom/2019/April/19-Ridership-Report.pdf) which notes that public transit ridership dropped 2.0 percent in 2018 when compared to transit ridership in 2017. However, from 1995-2018, public transit ridership grew by 27 percent. APTA also has released a report [APTA Understanding Recent Ridership Changes](https://www.apta.com/newsroom/2019/April/19-Ridership-Report.pdf) detailing the factors influencing and causing those declines, and the steps public transit agencies should take to change the ridership trend. |
| | **April 18, 2019.** Two US DOT Administration’s (National Highway Traffic Safety Administration / Federal Railroad Administration) relaunched a $5.6 million public safety awareness campaign [NHTSA FRA Stop Trains Can’t](https://www.fra.dot.gov/) urging everyone to take greater care at highway-grade crossings. The campaign, “Stop. Trains Can’t.” reminds drivers about the potential risks of an approaching train when crossing railroad tracks. The campaign is national in scope but does target high-incident communities in 16 selected states. In 2018, 270 people were killed at railroad crossings. |
| | **April 12, 2019.** President Trump and Federal Communications Commission Ajit Pai discussed 5G cellular communications. 5G is expected to be as much as 100 times faster than the current 4G cellular networks. By the end of 2019 the nation will have 92 deployments in the market. Chairman Pai noted that, “America is well positioned to win the race to fast, secure, and reliable 5G. Here is a link to the [FCC 5G Fast Plan](https://www.fcc.gov/5g-fast-plan) and the [FCC Fed Register Order 25 2019](https://www.fcc.gov/document/federal-register-order) that establishes an incentive auction that promotes the flexible-use wireless service rules that the Commission has adopted. |
| | **April 9, 2019.** The Federal Transit Administration (FTA) allocated $1.36 billion in federal funding [FTA CIG Press Release](https://www.fta.dot.gov/) to 16 new and existing transit projects in the Capital Investment Grants (CIG) Program. With this announcement, [FTA has advanced funding for 22 new CIG projects](https://www.fta.dot.gov/) throughout the nation under this administration since January 20, 2017, totaling approximately $5.06 billion in funding commitments. |
### APRIL AND UPCOMING DEADLINES

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1</td>
<td>Senate Budget Committee to report a Budget Resolution;</td>
</tr>
<tr>
<td>April 15</td>
<td>Statutory deadline for House/Senate to adopt Budget Resolution (often missed);</td>
</tr>
<tr>
<td>April 15</td>
<td>The Federal Transit Administration (FTA) announced FTA SSO Deadline on March 18, 2019, that it had partnered with 30 states with rail transit systems to strengthen and certify 31 State Safety Oversight (SSO) Programs prior to the April 15, 2019, safety deadline.</td>
</tr>
<tr>
<td>May 20-23</td>
<td>AASHTO Spring Meeting at Canyons Village, Park City, Utah 84098 <a href="#">AASHTO Spring Meeting</a></td>
</tr>
</tbody>
</table>

### CONGRESS:

**Ongoing:**

- We are working to secure letters of support for SJRRC’s bid to acquire and develop land at Sharpe Army Depot.

3/27/19: The House Committee on Transportation and Infrastructure held a Full Committee markup on several bills. [T&I Full Committee Markup](#)

3/27-28/19: Senate Budget Committee, “Full Committee Hearing - Fiscal Year 2020 Budget Resolution” [Link and Testimony](#)

3/27/19: Senate Appropriations Subcommittee on Transportation, “Review of the FY2020 budget request for the U.S. Department of Transportation” [Link and Testimony](#)


3/22/19: Senate Budget Committee Chairman Mike Enzi (R-WY) released the FFY 2020 Budget Resolution (BR) on March 22, 2019. The BR sets forth the congressional budget for FFY 2020 and budgetary levels for FFYs 2021-2024. The proposal cuts discretionary spending at non-defense agencies by 9 percent in FFY 2020. The $55 billion reduction would bring spending in line with the statutory caps established by the 2011 Budget Control Act. The purported BR assumes new transportation user fees to preserve the solvency of the Highway Trust Fund. The House Budget Committee will soon release their own proposed BR. Subsequently, the House/Senate will need to reconcile their differences and agree on a conferenced BR. The BR does not become law; rather, the BR provides spending limits for each committee. Each appropriations committee will then be responsible for subdividing its allocation among the 12 subcommittees. [Senate Budget Resolution - Bill Text, Tables, Summary](#)

3/19/19: “Chair DeFazio Announces Whistleblower Webpage” [Whistleblower Rights](#)

3/13/19: House Budget Committee, “Full Committee Hearing - President’s Fiscal Year 2020 Budget Proposal” [Link and Testimony](#)
3/13/19: Senate Budget Committee, “Full Committee Hearing - President’s Fiscal Year 2020 Budget Proposal” Link and Testimony

3/14/19: The Senate Banking, Housing, and Urban Affairs Committee approved Thelma Drake's nomination to lead the Federal Transit Administration (FTA) by a vote of 24-1. Thelma Drake was nominated for the same position in the 115th Congress but never received final U.S. Senate Action. She was renominated by President Trump on February 15th of this year.

3/13/19: The House Transportation and Infrastructure Committee’s Subcommittee on Highways and Transit held a hearing titled, "Aligning Federal Surface Transportation Policy to Meet 21st Century Needs." The hearing was the first in preparation of a surface transportation reauthorization bill and concentrated on funding avenues for infrastructure projects and the importance of multimodal transportation system planning.


3/6/19: The House Ways and Means Committee held a hearing titled, "US. Infrastructure and the Need for Action." The hearing covered solutions for the HTF and the potential benefits of private-public partnerships (P3).

3/5/19: Rep. Blumenauer (D-OR) introduced H.R. 1508, the Move America Act. This bill aims to fund new transportation, water, and information infrastructure through federal tax-exempt bonds that provide at least 95 percent of its net proceeds to a qualified facility, such as a railroad or any associated rail infrastructure to integrate transportation modes.

Executive Branch:
3/11/19: President Trump released his annual Budget Request for fiscal year (FY) 2020, requesting $21.4 billion in discretionary budget authority and $84.1 billion total in gross budgetary resources for DOT. It also calls for $200 billion towards an infrastructure initiative to encourage at least $1 trillion on new infrastructure, which should be aided by surface transportation reauthorization legislation. The Budget calls for increased levels for several major infrastructure grant programs. It calls for $2 billion for the Infrastructure for Rebuilding America (INFRA) grant program, $1 billion for the Better Utilizing Investment to Leverage Development (BUILD) grant program, and $300 million for a competitive highway bridge program. The Budget also leaves in place the $7.6 billion highway funding rescission that will happen on July 1, 2020.

Pending US DOT Nominations

<table>
<thead>
<tr>
<th>NAME</th>
<th>US DOT ADMINISTRATOR / OTHER</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Diana Furchtgott-Roth</td>
<td>Assistant Sec. of Transportation</td>
<td>Referred to Senate Commerce Committee 1/16/19. Roth</td>
</tr>
<tr>
<td>Ms. Nicole Nason</td>
<td>FHWA Administrator</td>
<td>Reported E&amp;PW 2/5/19, on Executive Calendar Nason</td>
</tr>
</tbody>
</table>
Ms. Thelma Drake  FTA Administrator  Reported by Senate Banking 3/12/19, on Exec. Calendar Drake

Mr. Stephen Dickson  FAA Administrator  Nominated 3/19/19 Dickson

Ms. Heidi King  NHTSA Administrator  Referred to Senate Commerce Committee 1/16/19 King

Ms. Deb Miller  Surface Transportation Board  Nomination withdrawn 1/1

1/ Ms. Millar served on the STB from 2014-2018. The Board is chaired by Ann D. Begeman, along with Vice Chairman Patrick J. Fuchs and Martin J. Oberman. The Board has two vacancies (one Republican and one Democrat).

Regulatory Update, Event, or Key Report:

3/20/10: Amtrak released their FFY 2020 grant request on March 20, 2019 requesting a total of $1.8 billion with splits of $1.2 billion for the National Network and $600 million for the Northeast Corridor. The FFY 2020 request is a reduction of $141,600,000 from the enacted level of $1,941,600,000 in FFY 2019.  Amtrak FFY 2020 Request

3/15/19: The Federal Transit Administration issued its Annual Report on Funding Recommendations for the Capital Investment Grants (CIG) Program and Expedited Project Delivery Pilot Program for FFY 2020, (Capital Investment Grants Program FFY 2020 Annual Report) recommending a total appropriation of $1.505 billion with the following splits: $995.29 million for 10 existing Full Funding Grant Agreements (including eight New Starts and two Core Capacity projects); $494.85 million in funding for other projects that may become ready for funding during FFY 2020, and $15.05 million for management oversight.  [Within the CIG program there are three categories of eligible projects: New Starts, Small Starts and Core Capacity projects.]

3/12/19: Non-Traditional and Emerging Transportation Technology (NETT) Council – US DOT Secretary Elaine Chao announced the creation of the NETT Council on March 12, 2019. The Council is tasked with identifying and resolving jurisdictional and regulatory gaps that may impede the deployment of new technology, such as tunneling, hyperloop, autonomous vehicles, and other innovations.  NETT Council

3/11/19: The U.S. Government Accountability Office (GAO) issued a report on DOT's progress establishing the Build America Bureau, as required under the FAST Act. The report found that the Bureau has created a process to consolidate three financing programs; the Transportation Infrastructure Finance and Innovation Act (TIFIA), Railroad Rehabilitation and Improvement Financing (RRIF), and Private Activity Bonds (PAB), and has taken steps to streamline their application and evaluation process. However, the report also found that the Bureau's efforts lacked implementation goals and performance indicators to assess the progress of the new procedures.

2/28/19: Debrief with USDOT staff for the SJRRC “San Joaquin Valley Rail Enhancement Project” BUILD grant.
2/15/19: President Trump signed H.J. Res. 31, the Consolidated Appropriations Act of 2019. This joint resolution funded all Federal government agencies that had yet to be funded for Fiscal Year (FY) 2019, including DOT and the Department of Homeland Security (DHS). The bill provides $86.5 billion in funding for DOT, including $900 million for the Better Utilizing Investments to Leverage Development (BUILD) grant program, which is $600 million below FY 2018 levels. It also blocks DOT from using nonfederal funding as a criterion for selection, allowing only the selection criteria from the FY 2017 notice of funding opportunity (NOFO). The bill also provides $17.5 billion, $549 million below FY 2018, for the Federal Aviation Administration (FAA), including $500 million for Airport Improvement Program (AIP) grants; $49.3 billion, an increase of $1.8 billion from FY 2018, for the Federal Highway Administration (FHWA); $667 million, $178 million below FY 2018, for the Federal Motor Carrier Safety Administration (FMCSA); $966 million, an increase of $19 million from FY 2018 levels, for the National Highway Traffic Safety Administration (NHTSA); $2.9 billion, $218 million below FY 2018, for the Federal Railroad Administration (FRA); and $13.4 billion, $67 million below FY 2018 levels, for the Federal Transit Administration (FTA). The joint resolution also provided $49.4 billion in discretionary funding for DHS, funding Customs and Border Protection (CBP) at $14.9 billion with $59 million for hiring new CBP officers. It also provides $16.6 billion, $4.2 billion above FY 2018 levels, for the Federal Emergency Management Agency (FEMA), including $100 million for public transportation security assistance, railroad security assistance, and over-the-road bus security assistance.

9/28/18: President Trump signed H.R. 6157, the Department of Defense (DOD) and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. This bill contains an extension of funding, until December 7, 2018, for all FY 2019 appropriations bills that have not been passed in Congress, including the Transportation-HUD (THUD) language which is in conference committee with three other bills.

1/16/19: President Trump renominated a number of individuals that did not receive final U.S. Senate action during the 115th Congress. Included in the list are Thelma Drake as Administrator of NHTSA, Diana Furchtgott-Rott as an Assistant Secretary of Transportation, and Michelle Schultz as a member of the Surface Transportation Board (STB).

1/9/19: Geoff Burr, who was Secretary Chao’s chief of staff for almost two years, vacated his position and will be replaced by Todd Inman. Matt Sturges, who was serving as FRA Deputy Administrator, and Sean McMaster, who was serving as Deputy Assistant Secretary for Congressional Affairs, will both become Deputy Chiefs of Staff. Alan Hanson, current Deputy Chief of Staff, will move to the Federal Motor Carrier Safety Administration (FMCSA) as Deputy Administrator and Cathy Gautreaux, who was acting administrator for FMCSA, will take a new position as Senior Advisor at NHTSA.

1/2/19: The U.S. Senate confirmed several Transportation related Nominees before the end of the 115th Congress. Among the approved nominees were Martin Oberman and Patrick Fuchs, to be members of the Surface Transportation Board.

12/20/18: DOT issued a NOFO for its Nationally Significant Freight and Highway Projects (INFRA) program. The program provides $950 million in available discretionary funding for freight, highway, or bridge projects of national or regional significance. Applications are due no later than 8:00 PM EST on March 6, 2019.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/1/18</td>
<td>Ben Kochman, former Legislative Director for Rep. Granger (R-TX), moved to DOT as Senior Congressional Affairs Officer.</td>
</tr>
<tr>
<td>8/10/18</td>
<td>Mike Long, former senior safety and operations manager for the Short Line Safety Institute, took his new position as regional director of operations at FRA.</td>
</tr>
<tr>
<td>2/19/19</td>
<td>FRA issued a report to Congress on its first National Strategy to Prevent Trespassing on Railroad Property. The report identified Los Angeles, CA; Cook, IL; San Bernardino CA; Harris TX; Broward, FL; Palm Beach, FL; Fresno, CA; Riverside, CA; Contra Costa CA; and San Diego, CA counties as the top ten counties where trespasser casualties occur. The strategy calls for greater data gathering, site visits, funding, and coordination with all stakeholders to identify hot spots for trespassing.</td>
</tr>
<tr>
<td>2/15/19</td>
<td>FRA published its 2018 4th Quarter report for Positive Train Control (PTC) implementation. According to the report, all railroads required to install PTC systems had met the December 31, 2018 deadline or submitted requests for a final two-year extension.</td>
</tr>
<tr>
<td>11/21/18</td>
<td>The Federal Railroad Administration (FRA) released Positive Train Control (PTC) data for the 2018 3rd Quarter. The data listed five railroads at risk of not meeting PTC requirements or qualifying for alternative schedules, a list later updated to four after Amtrak reached the 95 percent hardware installation requirement that FRA used to classify at-risk railroads.</td>
</tr>
<tr>
<td>10/3/18</td>
<td>The Senate Commerce Committee held a hearing on the current status of PTC. With the 2018 deadline approaching, U.S. Senators sought answers from FRA regarding the next steps and possible scenarios for those rails that may not qualify for an extension.</td>
</tr>
<tr>
<td>9/17/18</td>
<td>House Transportation and Infrastructure Committee (T&amp;I) Ranking Member, Rep. DeFazio (D-OR), and House Railroads Subcommittee Ranking Member, Rep. Capuano (D-MA) wrote their opposition to allowing rail workers from Mexico to operate trains in the U.S. in a letter to Transportation Secretary Chao, which was joined by 25 other Members. The letter comes after Kansas City Southern Railway (KCSR) requested a waiver excluding them from certain federal safety requirements.</td>
</tr>
<tr>
<td>9/13/18</td>
<td>GAO released a report on the status of PTC implementation. It found that as of June 30, 2019, many of the 40 railroads were still installing PTC equipment. It also found that outside of the large freight railroads, many were lacking progress in the later stages of their implementation plans, especially with regard to revenue service demonstration (RSD), which only eight railroads had reportedly initiated. The report found that 32 railroads, or the operator of their track, intended to apply for an extension, which would have a max deadline of December 31, 2020. GAO reported that FRA had taken some steps that were recommended by the GAO in March and had begun to inform on the requirements necessary to receive an extension past December 31, 2018.</td>
</tr>
<tr>
<td>2/14/18</td>
<td>The Pipeline and Hazardous Materials Safety Administration (PHMSA), coordinating with the FRA, issued a final rule. The rule requires railroads with segments used by High Hazard Flammable Trains (HHFTs) to develop and submit a Comprehensive Oil Spill Response Plan (COSRP). Specifically, the rule will expand and modernize requirements for COSRP and require railroads to provide HHFT operation information with State and tribal emergency response teams. The rule will go into effect on August 13, 2019.</td>
</tr>
</tbody>
</table>
2/6/19: H.R. 543, which was introduced by Rep. Sires (D-NJ), passed the U.S. House. This bill requires the FRA, when initiating a comprehensive safety assessment on an intercity or commuter railroad, to notify the House T&I Committee, Senate Commerce Committee, and the Members of Congress representing that state in which the railroad operates within ten days of initiating the assessment. It also requires that the report, once completed, be presented to the House T&I Committee, Senate Commerce Committee, and all Members of Congress representing the state of which the railroad operates within 90 days.

1/11/19: Rep. Blumenauer (D-OR) introduced H.R. 510. This bill would make the railroad track maintenance credit for short line railroads permanent. The bill was introduced in the House Committee on Ways and Means, where it awaits further action.

12/7/18: The Federal Railroad Administration (FRA) issued a final rule extending a stay on system safety program (SSP) plan requirements for commuter and intercity passenger railroads until September 4, 2019.

11/21/18: FRA published a final rule titled, "Passenger Equipment Safety Standards; Standards for Alternative Compliance and High-Speed Trainsets." This new rule amends the Passenger Equipment Safety Standards by adding a new tier (tier III), allowed to reach a max speed of 220 miles per hour (mph) and share a right-of-way with freight and other passenger equipment when traveling under 125 mph, to its speed-and-safety rating system. The rule also updates crashworthiness and occupant protection performance requirements and mph limits for the previous two tiers and sets specific tier III minimum safety standards. The rule will go into effect on January 22, 2019.

11/20/18: FRA issued a Safety Advisory recommending, on top of regulatory requirements, industry best practices to allow for safe operation during temporary signal suspensions. Recommendations can be found here.

8/29/18: FRA issued a final rule on hours of service laws. The rule aims to ease the burden on railroads with fewer than 400,000 employee-hours annually by providing a method, lower than current electronic recordkeeping requirements, that utilizes electronic signature-based tracking on automatically created records.
This 2019 Amendment (“Amendment”) to the July 1, 1998 Executive Director Employment Contract (the “Agreement”) is entered into this 6th day of September, 2019, between the San Joaquin Regional Rail Commission, a joint powers agency organized under the laws of the State of California, hereinafter “Commission” or "Employer," and Stacey L. Mortensen, hereinafter “Mortensen” or "Employee." The Commission and Mortensen are also herein referred to in the singular as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, the Parties entered into the Agreement (“Agreement”) on July 1, 1998, a copy of which is attached, whereby Employee would serve as the Employer’s Executive Director; and

WHEREAS, the Parties previously entered into a 2016 Amendment of the Agreement that amended Employee’s Base Annual Salary to One Hundred Eighty-Four Thousand Fourteen Dollars ($184,014.00).

WHEREAS, the Parties desire to increase Employee’s current Base Annual Salary to Two Hundred Fifteen Thousand Two Hundred Ninety One Dollars ($215,291.00).

AMENDMENT

NOW THEREFORE the Parties mutually agree to the following amendment to the Agreement.

Section 3.A of the Agreement is amended to read as follows:

“Employer agrees to pay Employee for her duties as Executive Director a base
annual salary of Two Hundred Fifteen Thousand Two Hundred Ninety One Dollars ($215,291.00) payable in installments at the same time as other employees of the Employer are paid, subject to usual and normal withholdings.”

This Amendment shall become effective on the beginning of the next payroll period, September 16, 2019, and shall replace the 2016 Amendment. All other terms in the Agreement shall remain unchanged.

IN WITNESS WHEREOF, the San Joaquin Regional Rail Commission has caused this Amendment to be signed and executed by its Chair of the Board of Directors on behalf of the Commission as attested by the Clerk of the Board, and the Employee has signed and executed this Amendment, both in duplicate, the day and year first above written.

"EMPLOYER"
SAN JOAQUIN REGIONAL RAIL COMMISSION

By: ______________________________________
   Hon. Christina Fugazi, Board Chair

"EMPLOYEE"

By: ______________________________________
   Stacey L. Mortensen

APPROVED AS TO FORM:

____________________________________
   Daniel J. Schroeder, Commission Counsel
Item 3.9  ACTION

Approve 2019 Amendment to the Executive Director Employment Contract dated July 1, 1998 (Regular Voting Members Only)

Background:

The Board of Commissioners discussed the Executive Director’s performance review at the June and August 2019 Rail Commission meetings. Following contract negotiations with the Executive Director, Counsel was instructed to amend the Executive Director Employment Contract consistent with those negotiations and bring it back for action at the September meeting.

Recommendation:

Approve 2019 Amendment to the Executive Director Employment Contract dated July 1, 1998.
Item 4  ACTION

Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Any Other Documents Necessary to Obtain State Rail Assistance (SRA) Funding in the Amount of $1,500,000 for the Revenue Fleet Rehabilitation Project and $500,000 for the UPRR Safety Fund Project

Background:

Senate Bill 1 (SB 1) created the State Rail Assistance (SRA) Program by directing a portion of new revenue specifically to intercity rail and commuter rail. SB 1 directs a 0.5% portion of new diesel sales tax revenue for allocation, with half going to the five commuter rail providers and half to intercity rail corridors. The estimated funding distribution for the commuter rail agencies can be seen below.

<table>
<thead>
<tr>
<th>Commuter Rail Agency</th>
<th>Estimated Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017-18</td>
</tr>
<tr>
<td>Altamont Corridor Express Authority (ACE)</td>
<td>$2.5M</td>
</tr>
<tr>
<td>North County Transit Development Board (Coaster)</td>
<td>$2.5M</td>
</tr>
<tr>
<td>Peninsula Corridor Joint Powers Board (Caltrain)</td>
<td>$2.5M</td>
</tr>
<tr>
<td>Sonoma-Marin Area Rail Transit District (SMART)</td>
<td>$2.5M</td>
</tr>
<tr>
<td>Southern California Regional Rail Authority (Metrolink)</td>
<td>$2.5M</td>
</tr>
</tbody>
</table>

Over the first three years of the Program, ACE is eligible for $10.5M in SRA funding. In August 2019, staff was notified by the California State Transportation Agency (CalSTA) that $487,312.50 in SRA funding beyond the estimated distribution was available for allocation. As a result, there is currently $4,587,312.50 in SRA funding available for allocation for the ACE service.

SRA was created to provide operating and capital assistance for commuter and intercity rail agencies. The SRA guidelines permit projects that cover a full range of transportation planning and mass transportation purposes, with the direction that rail agencies spend these funds in a cost-effective manner to provide operations and capital improvements for the benefit of the public.

Staff is recommending $1,500,000 and $500,00 in SRA funding be requested for the Revenue Fleet Rehabilitation and Union Pacific Railroad (UPRR) Safety Fund Projects, respectively.
With the passage of SJRRC’s Transit Asset Management (TAM) Plan and the increasing age of existing ACE rolling stock, the funding of the Revenue Fleet Rehabilitation Project will ensure rail cars and locomotives remain in a state of good repair. Federal funding has been secured to conduct midlife overhauls of the rail cars and the SRA funding will provide the matching funds required by the Federal Transit Administration (FTA). Additionally, the Project will fund other maintenance and overhaul related activities for ACE locomotives.

As discussed at the August 2019 SJRRC Special Board meeting, the UPRR Safety Fund Project is a required component of the Sixth Amendment to the Altamont Pass Trackage Rights Agreement. The Project will enable UPRR to conduct numerous activities in the right-of-way where the ACE service operates to enhance safety along the Corridor. These activities include, but are not limited to: right-of-way clean-up, encampment abatement, and signage updates. Most of this Project will be funded by the SRA funding that was made available beyond the original estimated allocation.

The remaining $2,587,312.50 in SRA funding will be brought before the Board for approval once additional projects have been identified.

Fiscal Impact:

There is no fiscal impact. SRA funding is provided through Senate Bill 1; however, a budget amendment will be presented in the coming months to change the Railcar Midlife Overhaul Project to the Revenue Fleet Rehabilitation Project and incorporate the $1,500,000 into the budget.

Recommendation:

Approve a Resolution of the Board of Commissioners of the San Joaquin Regional Rail Commission Authorizing the Executive Director to Submit and Execute Any and All Grant Applications, Agreements, Certifications and Assurances and Any Other Documents Necessary to Obtain State Rail Assistance (SRA) Funding in the Amount of $1,500,000 for the Revenue Fleet Rehabilitation Project and $500,000 for the UPRR Safety Fund Project.
RESOLUTION SJRRC-R-19/20-

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SAN JOAQUIN REGIONAL RAIL COMMISSION AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT AND EXECUTE ANY AND ALL GRANT APPLICATIONS, AGREEMENTS, CERTIFICATIONS AND ASSURANCES AND ANY OTHER DOCUMENTS NECESSARY TO OBTAIN STATE RAIL ASSISTANCE (SRA) FUNDING IN THE AMOUNT OF $1,500,000 FOR THE REVENUE FLEET REHABILITATION PROJECT AND $500,000 FOR THE UPRR SAFETY FUND PROJECT

WHEREAS, SJRRC is an eligible project sponsor and may receive state funding from State Rail Assistance (SRA) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the California State Transportation Agency (CalSTA) as the administrative agency for the SRA; and

WHEREAS, CalSTA has developed guidelines for the purpose of administering and distributing SRA funds to agencies identified as eligible recipients of these funds; and

WHEREAS, SJRRC wishes to delegate authorization to execute these documents and any amendments thereto to the Executive Director; and

WHEREAS, the SJRRC Board of Commissioners approved a Transit Asset Management (TAM) Plan at the March 2019 Board meeting; and

WHEREAS, the Revenue Fleet Rehabilitation Project will enable ACE rolling stock to be maintained in a State of Good Repair; and

WHEREAS, the SJRRC Board of Commissioners approved the Sixth Amendment to the Altamont Pass Trackage Rights Agreement at the August 2019 Special Board meeting; and

WHEREAS, the UPRR Safety Fund Project is a required component of the Sixth Amendment; and

WHEREAS, SJRRC wishes to utilize $1,500,000 in SRA funding for the Revenue Fleet Rehabilitation Project and $500,000 in SRA funding for the UPRR Safety Fund Project;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Joaquin Regional Rail Commission hereby Authorize the Executive Director to submit and execute any and all grant applications, agreements, certifications and assurances and any other documents necessary to obtain State Rail Assistance (SRA) funding in the amount of $1,500,000 for the Revenue Fleet Rehabilitation Project and $500,000 for the UPRR Safety Fund Project.
PASSED AND ADOPTED, by the Board of Commissioners this 6th day of September 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

STACEY MORTENSEN, Secretary

CHRISTINA FUGAZI, Chair
Item 5  

Public Hearing: Presentation and Introduce and Waive the First Reading of An Ordinance Creating A Station/Facilities Development Committee of the San Joaquin Regional Rail Commission and Delegating Decision-Making Authority to the Committee

Background:
As discussed in the August 2019 Special Rail Commission meeting, a new interim governance concept may be necessary for the delivery of the new passenger rail expansion services funded through SB1 and TIRCP (Valley Rail Program).

Valley Rail Program
   a. SB 132 funded Expansion of ACE from Lathrop to Ceres and Merced
   b. TIRCP funded Expansion of ACE and San Joaquins to Natomas

Two issues arise in planning for service expansion into new regions:

1) A larger conversation is needed to evaluate a governance concept that includes all of the regions affected by the existing and planned services. Counsel reviewed several options in response to Board member questions for the Board at a past meeting. This effort will likely take 9 months to over a year, depending on the nature of changes to existing agencies or the creation of a new policy structure.

2) Numerous decisions need to be made imminently in the Stanislaus, San Joaquin and Sacramento regions as 11 new stations and facilities are designed and constructed over the next 2 years.

New Interim Governance Concept for Valley Rail Program Delivery:
In evaluating other options that could utilize the Rail Commission structure and powers, the Rail Commission has the authority to create, by Ordinance, and delegate to a Committee that would have decision making authority regarding the new stations/facilities that would function along the lines of a Planning Commission.

The Committee could have certain decision-making authorities delegated to it by the Rail Commission under an annual, Rail Commission approved scope and budget identified for the Valley Rail Expansion in Stanislaus, San Joaquin and Sacramento Counties.

The Committee would be subject to the Brown Act and would meet on an as needed basis and include teleconferencing for ensuring quorums. There could be times where several meetings a month may be needed and times where there are no meetings in a month.
For the protection of the Rail Commission’s financial stake in the expansions, Counsel is recommending a 4-member Committee. Utilizing the existing member agencies of the San Joaquin Joint Powers Authority for some continuity, the Rail Commission would request that StanCOG and SacRT each recommend an appointee from its’ membership. The remaining two members would be Rail Commissioners from the areas of San Joaquin County affected by the expansion. No Alternates would be designated for the Committee.

This proposed Committee concept may offer the following benefits:

1. Eliminates the need, at this time, for a new governing board and administrative structure.

2. Utilizes this Valley Rail project implementation process to assess the best long-term governance option for the expanded ACE and San Joaquin service.

3. Maintains the continuity of member agencies and boardmembers with expertise related to ACE and the San Joaquins.

4. Establishes a small, nimble Committee of elected officials who are motivated to deliver the Valley Rail expansion project quickly, cost effectively, and with consideration of the affected community interest because the new facilities are in their districts.

Fiscal Impact:
A new Committee would require staff and counsel time for meetings and agenda package preparation.

Recommendation:
Introduce and Waive First Reading of an Ordinance Creating A Station/Facilities Development Committee of the San Joaquin Regional Rail Commission and Delegating Decision-Making Authority to the Committee.
SAN JOAQUIN REGIONAL RAIL COMMISSION
AN ORDINANCE 2019-01

AN ORDINANCE CREATING A STATION/FACILITIES DEVELOPMENT
COMMITTEE OF THE SAN JOAQUIN REGIONAL RAIL COMMISSION AND
DELEGATING DECISIONMAKING AUTHORITY TO THE COMMITTEE

WHEREAS, The San Joaquin Regional Rail Commission (SJRRC) has received $400 Million in State funding for expansion of the ACE service to Ceres and ultimately to Merced; and

WHEREAS, SJRRC and the San Joaquin Joint Powers Authority (SJJPA) jointly received $500 Million in State funding for expansion of the ACE service between Lathrop and Natomas and expansion of the San Joaquins intercity rail service between Fresno and Natomas; and

WHEREAS, SJRRC has been designated the lead agency for planning and implementing the new stations/facilities required as part of the state funded expansion effort; and

WHEREAS, the initial deadline of 2023 associated with the State funding for project completion requires numerous timely actions for the stations/facilities in the new service communities over the next several years; and

WHEREAS, a small group of elected decision makers from the affected communities provides the best opportunity to ensure decisions are timely and incorporate the input of the affected communities; and

WHEREAS, SJRRC has the authority to establish a Committee and delegate specified decision-making powers,

THEREFORE, THE SAN JOAQUIN REGIONAL RAIL COMMISSION ORDAINS AS FOLLOWS:

ARTICLE 1. GENERAL

Section 100 Establishment. The San Joaquin Regional Rail Commission (“SJRRC”) hereby creates the Station/Facilities Development Committee (“Committee”) which shall have the decision and advisory powers contained here and as assigned by the SJRRC Commissioners from time to time. The Committee shall be comprised of four (4) members that shall serve without compensation.

Section 101 Definitions. For the purposes of this Article, the following words and phrases shall have these meanings:
“Commissioners” shall mean those persons appointed to the SJRRC in accordance with the JPA.

“Committee” shall mean the SJRRC Station/Facilities Development Committee established by this Article.

“Facility” or “Facilities” shall mean the facilities located north of Stockton in the Sacramento Service Corridor and the Stanislaus Service Corridor between Lathrop and Ceres California.

“JPA” shall mean the July 22, 2003 First Amended Joint Powers Agreement San Joaquin Regional Rail Commission.

“Regular Voting Commissioner” shall have the same meaning as “Regular Voting Member” set forth in Section 1.19 of the JPA.

“SacRT” shall mean the Sacramento Regional Transit District.

“SJRRC” means the San Joaquin County Regional Rail Commission, a Joint Powers Authority consisting of the County of San Joaquin, and the Cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton and Tracy, which owns and operates the ACE Rail passenger service.

“Special Voting Commissioner” shall have the same meaning as “Special Voting Member” set forth in Section 1.22 of the JPA.

“StanCOG” shall mean the Stanislaus Council of Governments.

“Station” or “Stations” shall mean the stations located north of Stockton in the Sacramento Service Corridor and the Stanislaus Service Corridor between Lathrop and Ceres California.

Section 102 Committee Appointment and Qualifications. The Committee’s four members shall be appointed by a majority vote of the SJRRC Regular Voting Commissioner. Committee members shall all be elected officials and comprised of the following:

102.1 A Regular Voting Commissioner whose elected jurisdiction includes at least one (1) Station north of Stockton, California.

102.2 A Regular Voting Commissioner whose elected jurisdiction includes at least one (1) Station between Lathrop and Merced California.

102.3 An elected official from the SacRT who shall be recommended for appointment to the SJRRC by the SacRT.

102.4 An elected official from StanCOG who shall be recommended for appointment to the SJRRC by the StanCOG.
In the event there is not a Regular Voting Commissioner qualified for appointment to sections 102.1 and/or 102.2 who accepts the appointment, the Regular Voting Commissioners may appoint any Regular Voting Commissioner to that membership position.

Section 103 Committee Officers. The Committee shall have two officers: Chairperson and Vice-Chairperson.

103.1 At the time of their appointment to the Committee, the Regular Voting Commissioners shall appoint one of the two Regular Voting Commissioners appointed pursuant to Sections 102.1 and 102.2 as Committee Chairperson and the other as Committee Vice-Chairperson.

103.2 The duties of the Chairperson shall be to preside at all meetings of the Committee and have the authority to call for short recesses during meetings unless a majority of the Committee Members by vote oppose a recess.

103.3 The duties of the Vice-Chairperson shall be to serve in the absence of the Chairperson.

Section 104 Term of office and filling vacancy.

104.1 The term of office for each Committee member shall be for four years, and until his or her successor is appointed.

104.2 Should a vacancy occur on the Committee for any reason, including expiration of terms, the vacancy shall be filled by appointment in accordance with Section 102 of this Article. Except in the case of a vacancy occurring due to expiration of a term, appointments to fill vacancies shall only be for the balance of the unexpired term of the vacant portion.

104.3 Any Committee member may be removed at any time by a majority vote of the Regular Voting Commissioners.

Section 105 Meetings.

105.1 All meetings shall comply with the procedural requirements set forth in the Ralph M. Brown Act (“Brown Act”) set forth in California Government Code Sections 54950 and following, as they are now or may be amended.

105.2 The Committee shall, at that first meeting, establish a regular meeting schedule including dates, time and location for itself.

105.3 A quorum for conducting all Committee matters of business shall be three (3) Committee members.
The affirmative vote of three (3) members of the Committee shall be required for the approval of any matter.

**Section 106  Powers and Duties.** The Committee shall have the following powers and duties:

106.1 Decision making authority over all matters involving Station/Facility improvements, including, but not limited to, designs, materials, permitting, construction, change orders (within budget), etc.

106.2 Decisions of the Committee shall not exceed project amounts established in approved SJRRC budgets or any other amount established by the Regular Voting Commissioners.

106.3 Any other authority or direction provided by the Commission.

**Section 107  Appeal of Committee Decisions**

107.1 The SJRRC Executive Director or her/his designee shall notify the SJRRC Regular Voting Commissioners and Committee members of any decisions made by the Committee within twenty-four (24) hours of the Committee’s decision. Said notification (“Notice”) shall be in writing and delivered electronically by e-mail.

107.2 Any member of the Committee or Regular Voting Commissioner can request an appeal of any decision by the Committee by requesting an appeal to the SJRRC’s next Commission meeting as long as the request is made in writing and e-mailed to the Executive Director or her/his designee no later than one hundred and twenty (120) hours of the date and time of the Notice. Failure of any Regular Voting Commissioner to timely request an appeal shall result in the Committees decision becoming final.

107.3 A timely request for appeal shall be placed on the agenda of the next SJRRC Commission meeting in compliance with the procedures in the Brown Act. At said meeting, the Regular Voting Commissioners shall determine whether to veto the Committee’s decision being appealed. A Committee’s decision may only be vetoed by a majority vote of the Regular Voting Commissioners.

Following passage and prior to the expiration of 15 days following passage, this Ordinance will be published in full once in three newspapers, one published in Santa Clara County, one published in Alameda County, and one published in San Joaquin County and this Ordinance will take effect 30 days after the date of the last of the three publications.
PASSED AND ADOPTED by the SAN JOAQUIN REGIONAL RAIL COMMISSION on this ______________ day of ________________, 2019 by the following vote of the Commission:

AYES: __________________________

NOES: __________________________

ABSTENTION: ___________________

ABSENT: ________________________

_________________________________  ______________________________
CHAIR                                SECRETARY (Clerk)
SAN JOAQUIN REGIONAL RAIL COMMISSION  
Meeting of September 6, 2019  

STAFF REPORT  

Item 6 INFORMATION  

Update on ACE Rolling Stock Procurement  

Bi-level Passenger Rail Cars:  
On December 4th, 2018 the Passenger Rail Procurement solicitation was released. The procurement was issued as a joint procurement between Sound Transit (Sounder in Seattle), North County Transit District (Coaster in San Diego) and San Joaquin Regional Rail Commission (ACE), with Sound Transit acting as the Lead Agency for the procurement. The original base order of the Proposal was for 9 cab cars, of which five (5) cab cars were for ACE, with Proposals due on April 30th, 2019. As a result of the solicitation one proposal was submitted, by Bombardier Transit Corporation. After all the Agencies reviewed the proposal and in consolation with FTA, Sound Transit found the solicitation to meet federal guidelines for a single source contract. Negotiations between the parties began on May 20th and are anticipated to be competed in October 2019.

Since the solicitation was issued, the ACE Core Capacity Analysis was released (March 2019). The analysis identified the need to operate two (2) 9 and two (2) 10 car trainsets to maintain capacity for the core ACE service with the Valley Rail expansion over the Altamont. However, with how ridership changes from the morning trains to the afternoon trains it is more efficient for the trainsets to operate four (4) 10 car trainsets to accommodate the change of ridership patterns on the afternoon trains. With this information, staff worked with the California State Transportation Authority (CalSTA) to identify funding for an additional 12 passenger coaches to allow for the operation of 10 car trainsets and allow for the original ACE cars to go through a mid-life overhaul. Funding for the 12 vehicles is identified as follows:

- $4M Grant from Visionary Home Builders (with assistance from SJCOG)
- $27M from SB 132
- $15.5M from TIRCP

With the identification of the additional funding, the ACE portion of the Bombardier car order has been increased to 5 Cab Cars and 12 passenger coaches, with an option for an additional 17 coach cars. Staff anticipates bringing a contract to the Board for consideration at the November 2019 Rail Commission meeting.

Tier IV Locomotive Procurement:  
At the April 6th, 2018 Rail Commission Meeting, the Board approved a contract with Siemens Industry, Inc for the purchase of four (4) Charger locomotives, with the delivery of the first locomotive by December 15th, 2019.

Production of the Charger locomotives has gone very well to date with the first locomotive scheduled to be shipped from the Sacramento plant on September 19th (almost three months ahead of schedule).
The remaining three (3) locomotives are at various stages of production and are moving along ahead of schedule. If Siemens is able to continue at this pace, the remaining three units should be shipped in early January 2020 (again, 3 months ahead of schedule).

Upon arrival of the first locomotive there will be numerous testing processes on the unit to complete final acceptance and to comply with UPRR and PTC requirements prior to going into revenue service. Once testing on the first locomotive is completed, the remaining three locomotives will have a more streamlined acceptance and certification process.
Update and Marketing Strategy for Saturday Service

Saturday Service Overview:
The launch of the new Altamont Corridor Express (ACE) Saturday Service on September 7, 2019, opens a new transportation option for Saturday commuters and leisure travelers. For the current ACE rider, Saturday Service offers commuters the flexibility to work on Saturdays without the need to drive. For leisure travelers, the new service provides a safe and scenic ride to their destination. Leisure travelers represent a new market opportunity for ACE to engage with a different segment of its corridor communities.

Communications Strategy:
Staff is employing a broad-based communication strategy to ensure riders, stakeholders, and the media are aware of the new service. Riders and stakeholders received a robust e-blast with the pertinent Saturday Service information. The media received appropriate outreach to solicit articles and features to promote Saturday Service throughout the corridor. In addition to these targeted strategies, additional communication strategies being employed include:

- ACE Website – Schedule Update and Special Saturday Service Landing Page
- Social Media (Facebook and Twitter)
- Onboard announcements

Advertising and Grassroots Outreach:
Staff is using several advertising and grassroots strategies to engage potential riders of the service both to the business and leisure markets. These strategies require engaging with corridor stakeholders to multiply the Saturday Service message to their networks. Stakeholders are employing eblasts, social media posts, physical fliers, and tabling opportunities to promote Saturday Service. Targeted advertising is being delivered via social media, digital display, radio, and print channels. Utilizing multiple channels offers the opportunity for potential passengers to be engaged with repeated messages encouraging them to ride Saturday Service.

Staff will present additional detail on connecting services and other potential partnerships at the Board meeting.