



NAPA VALLEY TRANSPORTATION AUTHORITY CAC Agenda Memo

TO: Citizen Advisory Committee
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
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SUBJECT: Executive Director Report

RECOMMENDATION

Information only

EXECUTIVE SUMMARY

The following summarizes NVTA and NVTA-TA events and activities since the CAC's last meeting.

BACKGROUND AND DISCUSSION

NVTA Activities

- NVTA Staffing:
 - Renel Coombs has recently joined NVTA in Procurement and Contracts. Renel worked as a procurement officer for 17 years for the US Coast Guard. Since 2015, she has held similar roles at various agencies including Yuba County Water Agency, Sacramento Municipal Utility District, and the U.S. Air Force. Renel has extensive experience in the field of procurement and contracts. She has strong knowledge of government compliance and regulations. Renel is a welcomed asset to the NVTA Team.
 - Danielle Schmitz has been appointed to the California Transit Association's Federal Legislative Committee.
- Meetings and Events
 - I traveled to Washington DC at the end of September to participate in the California Transit Association's (CTA) federal lobby trip. The group consisted largely of transit general managers from around the state and legislative staffers. Discussions with federal legislators focused on ongoing challenges with Federal 13C Labor Provisions and the California Public Employee Pension Reform Act, increasing revenues

for zero emission buses, and funding for transit-oriented developments.

- On October 3rd, NVTA held a retreat for the Technical Advisory Committee. The group heard from three speakers focused on development, housing, and transportation to better understand how we can create a vision that ties these disciplines together over the next 25-year time horizon in the Countywide Transportation Plan.
- NVTA sponsored the Walk and Roll to School on October 9th, hosted by the Napa Valley Bike Coalition, with an estimated 2,000 young participants.
- NVTA participated in the St. Helena Harvest Festival on Saturday October 19th.

Regional Activities

Metropolitan Transportation Commission (MTC) and the four other large Metropolitan Planning Organizations (MPOs) (MTC, SanDAG, SACOG and SCAG) sent a joint letter to the California Air Resources Board (CARB) to request the agency pause the current Sustainable Communities Strategy (SCS) Guidelines established by SB 375 to complete a review of the framework. The SCS is a key driver to how MTC prioritized projects in the Regional Transportation Plan (Plan Bay Area) and it has become increasingly difficult for the large MPOs to meet CARB's greenhouse gas emission requirements.

The Bay Area Toll Authority (BATA) is contemplating a bridge toll increase beginning in January 2026. The increase would strictly be used for operations and maintenance of the 7 state-owned bridges. BATA's 10-year Capital Improvement plan is \$1.9 billion, and construction costs continue to rise faster than inflation at a time when BATA is collecting less toll revenues since COVID. Delay in a toll increase will result in significant costs. The five-year plan would increase tolls by \$.50 each year beginning January 2026 for 2-axle vehicles with an additional \$.50 per axle for larger vehicles.

Table 1. Proposed Toll Rates for 2-Axle Vehicles

	Jan 1, 2025 (RM 3 increase)	Jan 1, 2026 (toll increase)	Jan 1, 2027 (toll increase)	Jan 1, 2028 (toll increase)	Jan 1, 2029 (toll increase)	Jan 1, 2030 (toll increase)	Jan 1, 2029 (GGB)
FasTrak	\$8.00	\$8.50	\$9.00	\$9.50	\$10.00	\$10.50	\$11.25
Invoice	\$8.00	\$8.50	\$10.00	\$10.50	\$11.00	\$11.50	\$12.25

Discussions of a 2026 Transportation Revenue Measure continue in the region led by Commissioner Jim Spering. The current proposal evaluates various options including a four county (Alameda, Contra Costa, San Francisco and San Mateo) option that allows other counties (like Napa) to opt in. The revenues being considered are sales tax or a hybrid sales tax and payroll tax. There are a few other efforts underway, including a voter initiative by Senator Weiner and a Bay Area Transit Regional Funding framework led by SFMTA staff which evaluates a shorter-term parcel tax option to cover the transit fiscal cliff.

Legislative Update

Federal

Days before federal funding was set to expire, Congress passed a bipartisan short-term spending measure – known as a continuing resolution (CR) – that would fund the government at current levels through December 20. Significant disagreements on report language and spending levels remain that could divert leaderships' attention away from other priority legislation, including several extensions for COVID-era health care flexibilities, a children's online privacy measure, and a small package on expiring tax provisions. Congress must also pass the Farm Bill – which has already received a short-term extension – and the annual National Defense Authorization Act.

The U.S. Commerce Department announced its plans to issue a notice of proposed rulemaking that aims to block the sale and import of Chinese- and Russian-made hardware and software for connected vehicles. The agency stated that the regulation could potentially bolster US security against a cybersecurity threat from foreign adversaries and other hacking groups. Specifically, the rule covers “vehicle connectivity systems” – systems and components connecting the vehicle to the outside world, including via Bluetooth, cellular, satellite, and Wi-Fi modules – and “automated driving systems.”

After Administrator Shailen Bhatt stepped down in September the Federal Highway Administration (FHWA) announced Kristin White will serve as acting Administrator. This was the latest DOT agency to lack a Senate-confirmed leader, along with the Federal Transit Administration, the National Highway Traffic Safety Administration, the Federal Motor Carrier Safety Administration.

State

The Governor acted on over 1,100 bills before the deadline of October 1st vetoing 183 making his veto rate 18%. While the Governor signed several artificial intelligence (AI) bills, he vetoed the most far-reaching proposal, SB 1047 (Wiener), which would have required safeguards to be placed on the use of artificial intelligence models. The veto message was three pages long and was accompanied by an announcement to create a commission to develop guardrails on AI.

The Governor signed SB 960 (Weiner) which requires inclusion of bicycle, pedestrian and transit priority facilities in the Transportation Asset Management Plan and the State Highway Operations and Protection Program (SHOPP). While the amendments provide some flexibility to Caltrans to phase in these requirements, the overall intent of the bill remains in place to incorporate complete streets in all Caltrans projects.

SB 1420 (Caballeros) was signed into law. This bill would streamline the permitting process for hydrogen production projects that align with state and federal clean energy goals. SB 1420 focuses on expediting projects that avoid fossil fuel inputs and benefit from state or federal funding, including through the Biden Administration's Bipartisan Infrastructure Law.

The Department of Finance's monthly revenue bulletins continue to provide a stable fiscal outlook. The month of August receipts were \$710 million, or 5.5% above the Budget Act forecast for August. Strength in August was driven by sales tax and personal income tax which exceeded the forecast by \$435 million and \$332 million, respectively.

After holding two informational hearings, the Assembly Committee on Petroleum & Gasoline Supply voted last week to advance two bills to the Assembly Floor for consideration.

The main bill approved, ABXX 1 (Hart & Aguiar Curry), was proposed by Newsom in the final days of the legislative session. This bill would require oil refineries to maintain a supply of gas using existing storage. It would direct the California Energy Commission to produce specific regulations. The goal is to have larger reserves in case refiners go offline for maintenance, whether planned or unplanned. In recent years, such maintenance has led to sharp price hikes at the pump. Market regulators say the price spikes have cost California drivers up to \$2 billion and directly profit oil companies.

The second bill approved was ABXX 9, authored by the committee chair, Assemblymember Petrie-Norris. This bill was introduced a few days before the hearing. ABXX 9 urges the Air Board to proceed with the rule making process to allow the sale of E15, which is gasoline with 15% ethanol content as opposed to current gasoline formula that contains 10% ethanol. California is the only state that does not allow the sales of E15, which has been proven to be a cleaner fuel, but also a cheaper fuel, by about 20 cents per gallon.

ATTACHMENTS

None