

5. FINANCIAL PLAN

Fiscal constraint is one of the foundational concepts of the 2010 RTP. As such, the financial plan is a key component of the document. Given the nature of the current economy, fiscal constraint is exceptionally important. As part of the 2010 RTP effort the TCTC took a strict posture on this issue. Needs will always exceed available funding; however, it is smart planning to maximize benefit of each available dollar and to prioritize projects based on the funding availability, not strictly need. To this degree, project lists reflect fiscal constraint meaning that the projected revenues from all sources cover the total project costs for Tier 1, Tier 2 and Tier 3 projects. The “unconstrained” projects that are desired and needed but not funded are also included.

APPROACH

The typical RTP approach is to determine transportation improvement needs based on an analysis of travel demand, identify needed projects, and then determine available funding. This approach typically results in a fiscal deficit, as needs generally outweigh revenue. For the 2010 RTP, Trinity County Transportation staff and the TCTC has worked to estimate the available funds prior to determining the transportation related needs of the County. This process results in a more efficient RTP based on limited transportation dollars and the most pressing transportation needs.

Revenue Assumptions

Investment priorities for local, state and federal funds are embodied in the RTP. The RTP describes the short-range Tier 1 (0-5 years), the mid-range Tier 2 (6-15 years), and long-range (16-20 years) investment strategies in the County’s transportation system, indicating how all funding sources are to be utilized to meet the RTP goals and objectives. This chapter further provides a summary of the projected transportation-related revenues for Trinity County over the life of the plan and an accounting of the estimated project costs necessary to implement the goals of the RTP.

As a necessary condition of fiscal constraint, the financial plan contains assumptions about the availability of future funding from existing and new sources. It is assumed that the identified federal and state funding sources will continue to be available over the life of the RTP even if funding amounts are reduced.

The barometer that the TCTC is using to identify and estimate revenues is “reasonably anticipated.” In some cases, the forecasts do not contain an escalation rate but remain flat throughout the RTP process. Other sources are given a slight growth factor based on historical funding levels and recent economic trends. No new funding source or existing funding source has been included that is not “reasonably anticipated.” The following is a summary of the major revenue assumptions.

- The State and federal fuel taxes are assumed to stay at today’s levels through 2030.
- A specified level of State and federal discretionary funding will be available for RTP improvements. These programs include the STIP, Surface Transportation Program (STP), and Local Transportation Funds (LTF). The appropriate match requirements for each program will be available from local funds.
- Operation and maintenance funding is derived from Highway Users Tax, Match Exchange, and Forest Receipts. This funding is used for salaries, overhead, routine maintenance, snow plowing and as match for grant funds.
- Grant funds such as Highway Bridge Program and Highway Safety Improvement Program are included in the revenue estimate, projected based on current funding levels. It is important to note

that these funding sources are project and/or program-specific, and will not be available unless awarded for a specific project and/or program.

Given these assumptions, the identified revenues from federal, state and local sources are consistent with the total Tier 1, Tier 2 and Tier 3 project costs, creating a fiscally constrained RTP.

Unconstrained Needs

Transportation needs will always exceed available funding; therefore, the RTP includes an “unconstrained” list which identifies the needs beyond the revenues that are available. The inclusion of these unfunded projects reflects improvements and associated operations, maintenance, and rehabilitation that are desired by the region, but require funding outside of anticipated revenues. The total estimate of “unfunded needs” is approximately **\$46.3 million** as shown in Appendix 4G.

Primary funding sources:

- *Federal Programs*
 - *State Programs*
 - *Local Programs*
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SUMMARY OF REVENUES AND COSTS

The following information summarizes revenue projections from all available sources and provides a recap of RTP project costs. A discussion of individual sources and programs is also provided in the rest of the chapter.

TOTAL REVENUE SUMMARY

The TCTC has taken a conservative approach in forecasting future revenues. The TCTC used historical revenues from the past several years to create a revenue stream for each source through 2030. The anticipated revenues for the life of the 2010 RTP are as follows: in the short-range (0-5 years) approximately \$85.3 million is assumed to be available. In the midrange (6-15 years) approximately \$92.3 million is assumed. In the long-range (16-20 years) approximately \$37.8 million is assumed for a total of **\$215.5 million** through 2030.

Table 5.1 summarizes the projected revenues for all sources. The revenue estimate spreadsheet which shows reasonably anticipated revenues and forecasts for each source by year is found in Appendix 5A.

**TABLE 5.1
TRINITY COUNTY PROJECTED REVENUES**

Revenue Source	Short-Range	Mid-Range	Long-Range	Total
Local				
Transit Fares	\$150,303	\$405,352	\$270,687	\$826,342
Local Transportation Fund (LTF)	\$985,000	\$2,070,000	\$1,050,000	\$4,105,000
Airport Income	\$311,629	\$926,220	\$500,240	\$1,738,089
Subtotal	\$1,446,932	\$3,401,572	\$1,820,927	\$6,669,431
State				
State Transportation Improvement Program (STIP)	\$17,728,000	\$19,200,000	\$6,600,000	\$41,928,000
State and/or Federal Aviation (AIP)	\$2,850,000	\$4,345,000	\$2,905,000	\$10,100,000
Prop 1B / PTMISEA	\$286,174	\$100,000	\$0	\$386,174
Prop 1B	\$1,300,000	\$0	\$0	\$1,300,000
State Transit Assistance (STA)	\$274,597	500,000	250,000	\$1,024,597
Highway Users Tax (HUT)	\$11,830,900	\$23,661,800	\$11,830,900	\$47,323,600
BTA/SRTS	\$0	\$1,750,000	\$0	\$1,750,000
Subtotal	\$34,269,671	\$49,556,800	\$21,585,900	\$105,412,371
Federal				
Federal Forest Receipts	\$10,701,627	\$8,475,000	\$375,000	\$19,551,627
Match Exchange (STP)	\$1,759,560	\$3,519,120	\$1,759,560	\$7,038,240
Federal Transit (5311)	\$279,611	\$612,000	\$360,000	\$1,251,611
Federal Transit (5311F)	\$780,000	\$1,795,000	\$995,000	\$3,570,000
Forest Highways	\$18,975,000	\$11,100,000	\$0	\$30,075,000
Transportation Enhancement (TE)	\$3,316,000	\$7,040,000	\$6,600,000	\$16,956,000
Highway Bridge Program (HBP)	\$13,318,000	\$5,511,878	\$4,080,000	\$22,909,878
Highway Safety Improvement Program (HSIP)	\$435,000	\$1,349,197	\$280,000	\$2,064,197
Subtotal	\$49,564,798	\$39,402,195	\$14,449,560	\$103,416,553
Total all Sources	\$85,281,401	\$92,360,567	\$37,856,387	\$215,498,354
Source: Trinity County Transportation Department; Fehr & Peers 2010				

TOTAL COST SUMMARY

In line with Year of Expenditure (YOE) requirements, Trinity County has escalated all project costs to the year of construction. YOE ensures that 'total' project costs are assumed (including inflation). The intent of this requirement is to ensure that the RTP project list is as realistic as possible. For example, a project that costs \$1M today will not cost \$1M in 2030. Therefore, the RTP needs to estimate what that true project costs are likely to be in the year of construction.

Table 5.2 provides a summary of all capital project costs proposed by the County. Projects are categorized as Roads/Bridge, Transit, Non-Motorized (bike and pedestrian), and Aviation. Tier 1 project costs for the 2010 RTP (excluding SHOPP expenditures countywide) total approximately \$63.6 million; Tier 2 costs total \$52.6 million; Tier 3 costs are estimated at \$27.7 million. The total for all RTP capital projects is

approximately **\$143.9 million**. **Table 5.2** also provides the estimated costs for O&M for roads/bridges over the life of the RTP, approximately \$71 million. The combined total (with O&M) is **\$215 million** through 2030.

TABLE 5.2 SUMMARY OF TOTAL RTP PROJECT COSTS					
Costs	Short-Range (0-5 Years)	Mid-Range (6-15 Years)	Long-Range (16-20 Years)	Total	Percent of Total
Roads/Bridge	\$49,983,000	\$39,542,000	\$13,216,000	\$102,741,000	71%
Transit Capital/O&M	\$2,622,000	\$5,508,000	\$3,100,000	\$11,230,000	8%
Non-Motorized	\$8,072,000	\$5,360,000	\$4,868,000	\$18,300,000	13%
Aviation	\$2,892,000	\$2,240,000	\$6,550,000	\$11,682,000	8%
Total	\$63,569,000	\$52,650,000	\$27,734,000	\$143,953,000	
Total Operations & Maintenance (Road and Bridge)	\$23,329,000	\$35,074,000	\$12,646,000	\$71,049,000	
TOTAL CAPITAL PLUS O&M	\$86,898,000	\$87,724,000	\$40,380,000	\$215,002,000	
Source: Trinity County, 2010					

FEDERAL REVENUES

The TCTC anticipates approximately **\$103.8 million** from all Federal programs through 2030.

Federal Transportation Authorization Bill, SAFETEA-LU (Safe, Accountable, Flexible, Efficient, Transportation Equity Act – A Legacy for Users)

The SAFETEA-LU was signed into law on August 10, 2005. The bill authorizes \$286.5 billion in spending in federal fiscal years (FFY) 2004 – 2009. The total national funding in SAFETEA-LU provides an inflation-adjusted increase of approximately 5 percent for highways and 16 percent for transit over TEA-21. The Highway Trust Fund (HTF) is the source of funding for most of the programs in SAFETEA-LU. The HTF is composed of the Highway Account, which funds highway and inter-modal programs, and the Mass Transit Account. Federal motor fuel taxes are the major source of income into the HTF. In Trinity County, federal motor fuel tax monies are exchanged with Caltrans (Match Exchange). Caltrans uses the Federal dollars primarily for state highway projects and sends state money to the County as discretionary funds for county road operation and maintenance. There are also Federal programs that provide grant funding for specific projects, including emergency repairs (ER), Highway Safety Improvement Program (HSIP) and bridge maintenance, rehabilitation and replacement (Highway Bridge Program – HBP). Federal funds can also be used to rehabilitate or reconstruct rural major collectors and minor arterials in the county road system and rural major arterials in the state highway system. In a recent development, California has received approval to obtain toll credits from its toll revenues. Toll credits can be used as matching funds for Federal-aid projects. For example, the HBP requires a state or local match of 11.47% on "off-system" bridges, making them 100% federally funded.

The Federal Highway Administration (FHA) administers the Highway Trust Fund. The California Department of Transportation (Caltrans) processes these funds through the State Transportation Improvement Program (STIP) as outlined by SB 45. The federal highway funds matched with state highway funds are used to pay for the Caltrans State Highway Operation and Protection Program (SHOPP).

The remaining funds are split 25% for the State Interregional Transportation Improvement Program (ITIP) and 75% for the Regional Transportation Improvement Program (RTIP).

The RTPA is responsible to program projects for the RTIP based upon the amount of funding allocated to the Trinity County Region. The RTPA will program funding for the state highway and local road system, transit and other transportation needs. All state highway and road projects are required to have a Caltrans' Project Study Report (PSR) that identifies scope, schedule and cost prior to the project being programmed in the STIP. The PSR can be prepared using Planning, Programming, and Monitoring (PPM) STIP funds.

Subject to an agreement with the Office of Local Assistance, local agencies can also have their Planning, Programming, and Monitoring (PPM) funds included in the Overall Work Program (OWP) work elements. Per AB 608, effective January 1, 2002, Section 14527(g) of the Government Code was amended to permit rural RTPAs to use up to 5 percent of their Regional Improvement Program (RIP) funds toward PPM funding.

Table 5.3 displays how the various elements of the OWP meet the SAFETEA-LU planning factors.

TABLE 5.3 EVALUATION OF WORK PROGRAM PLANNING ELEMENTS							
SAFETEA-LU Planning Factors	Trinity County Overall Work Elements (OWP)						
	Transportation System Management	Public Transit	Non-Motorized	Aviation	Regional Transportation Planning	Blueprint Planning	Administration And Coordination
Economic Vitality of Region	x	x		x	x	x	x
Safety of Transportation System	x	x	x	x		x	x
Security of Transportation System	x	x	x	x			
Accessibility and Mobility	x	x	x	x	x	x	x
Environmental Compliance and Regional Goals	x		x	x	x	x	x
Integration and Connectivity of the Transportation System	x	x		x	x		x
System management and operation	x	x			x	x	x
System Preservation		x			x		x

Source: Trinity County OWP FY 2009/10

The following information summarizes each source available to Trinity County.

Match Exchange (Regional Surface Transportation Program (STP))

The RSTP guarantees counties 110 percent of their allocation under the old Federal Aid Urban/Federal Aid Secondary (FAU/FAS) program. These funds may be spent on streets and roads. Jurisdictions may also

use the funds for bikeway and pedestrian, transit, safety, ridesharing, traffic management, parking, environmental enhancements, and transportation control measures (TCMs). Trinity County has historically exchanged its STP funds for use on local facilities. The region expects to receive approximately **\$7.0 million** in exchange funds through 2030.

Highway Safety Improvement Program (HSIP)

This new program, introduced in SAFETEA-LU, replaces the previous Hazard Elimination Safety Program (HES). This program allows states to target funds to their most critical safety needs. A total of \$5.1 billion is provided nationally for FFY 2006 – 2009. The region estimates they will receive **\$2.1 million** through 2030.

Highway Bridge Program (HBP)

HBP provides for construction, replacement, rehabilitation and maintenance of local and state bridge. The County can nominate eligible projects through Caltrans Office of Local Assistance. The range of HBP funds typically awarded to the region is between \$4 and \$7 million annually, when funding is available. The County anticipates approximately **\$22.9 million** in HBP funds over the life of the RTP.

Federal Transit Administration Section 5311 (Non-urbanized Transit)

Under this section, funds are provided to non-urbanized transit systems on a formula basis for capital and operating expenses. Twenty (20) percent of Section 5311 funds are distributed through a new tier-based formula based on land area. The remaining 80 percent of funds is allocated by the existing formula based on population. The rural transit assistance program (RTAP) is funded with a 2 percent set-aside of the Section 5311 grant funds. During the life of the RTP, it is anticipated that the region will receive approximately **\$1.3 million** in formula funds through 2030.

Intercity Bus (5311(f))

The Intercity Bus program under FTA's non-urbanized Area formula grant program supports the connection between non-urbanized areas and the larger regional or national system of intercity bus service. Emphasis is placed on connectivity and mobility between non-urbanized and urbanized areas, addressing the intercity travel needs of residents in non-urbanized areas of the state. Trinity County anticipates approximately **\$3.6 million** through 2030.

FTA Section 5305

FTA Section 5305 funds are available to the TCTC on a statewide competitive basis for use on a wide variety of transit planning activities.

- Statewide Transit Planning studies are aimed at reducing reliance on single occupant vehicles and/or improving transit service that leads to improved mobility. The anticipated benefits of the grant proposal must result in improvements to rural transit systems. Examples of appropriate uses for statewide transit planning funds include the identification of policies and procedures to integrate transit into the planning process, GIS development, transit planning handbook and procedures development, and transit oriented development (TOD) studies.
- Transit Technical Planning Assistance grants are aimed at helping RTPAs prepare public transit and/or intermodal transportation planning projects showing benefit to the rural transit service areas of California with populations less than 100,000. Examples of appropriate uses include short-range transit plans, transit marketing plans, site selection studies, ridership surveys, and public participation activities.

- Transit Professional Development grants are aimed at helping RTPAs train transit planning professionals through private training facilities. Examples include transit safety and management classes, transportation planning workshops, and “train the trainer” classes.

Transportation Enhancement

TE projects must have a direct relationship – by function, proximity or impact – to the surface transportation system. Activities must be over and above normal projects, including mitigation. TE projects are primarily for pedestrian and bicycles projects, scenic easements or historic sites, landscaping or beautification, rehabilitation of historic structures, preservation of abandoned railway corridors, and certain environmental mitigations. Trinity County is eligible to receive TE funding in the 2010/11 fiscal year and future years as part of the STIP. The County will determine how they want to use those funds, when the funds become available. If the TE funds are exchanged and used for road purposes, then funds are used under TDA Article 19 purposes (streets and roads). The TCTC has estimated approximately **\$16.9 million** in TE funding through 2030.

National Forest Land (Forest Receipts)

Forest Receipts are federal funds that come from Federal property located within the county. Twenty-five percent of all revenue generated by the use of National Forest land, such as timber sales, is returned to the county. These funds can only be used for county road and school purposes. Due to reduced timber sales on federal lands, the Secure Rural Schools and Community Self-Determination Act of 2000 (S1608/HR2389) provided federal funding to help replace lost timber revenue through 2006. This program was extended for five years under Federal stimulus funding with a sunset clause of 2012. The TCTC has anticipated that future funding will remain at a modest level but will continue to be available. With this assumption, the funding estimate through 2030 is approximately **\$19.6 million** in forest receipts.

Forest Highways

The Forest Highways program provides funding for emergency repairs and to restore, resurface, rehabilitate and reconstruct designated Forest Highways within National Parks and National Forests. Trinity County has several designated Forest Highways, as listed in Chapter 2. The Federal Highway Administration Central Federal Lands Highway Division provides assistance by actually performing the work on eligible roads, from environmental and design through construction management. Trinity County has taken full advantage of this program to preserve their forest roads. The County anticipates approximately **\$30.1 million** in this type of assistance through 2030.

STATE REVENUES

The TCTC anticipates approximately **\$103.8 million** from all State programs (excluding SHOPP) through 2030.

State Highway Operations and Protection Program (SHOPP)

Biennially, Caltrans is required to prepare a SHOPP for expenditure of transportation funds for major capital improvements that are necessary to preserve and protect the state highway system. Projects included in the SHOPP are limited to capital improvements relative to maintenance, safety, and bridges that do not increase capacity. Projects can also include bridge replacement and seismic retrofitting. RTPAs are encouraged to coordinate with Caltrans on the SHOPP prior to its submission to the CTC. Caltrans District 2 has provided a list of programmed and non-programmed SHOPP projects for Trinity County. The list is included in Appendix 4A. SHOPP projects programmed for Trinity County in the short-range (2010 – 2014) include curve realignment, shoulder widening bridge upgrades and bridge rails and bicycle lanes and drainage improvements totaling **\$28.1 million**.

Non-Programmed SHOPP projects slated for construction in the 2012 through 2020 time frame include drainage rehabilitation, water and sewer upgrades, and pavement rehabilitation. The total for “non-programmed” SHOPP is **\$56.5 million**.

State Transportation Improvement Program (STIP)

The STIP is a four-year planning document adopted every two years that displays commitments of transportation funds for improving operations for local roads and the State highway system. Total STIP revenues are projected to be approximately **\$43.5 million**. Seventy-five percent of STIP funding goes to the Regional Improvement Program (RIP) administered by the TCTC and twenty-five percent goes to the state discretionary account --the Interregional Improvement Program (IIP).

State Transit Assistance (STA)

State Transit Assistance (STA) funds are derived from the Public Transportation Account (PTA). Half of the funds (50%) are allocated to Caltrans, and the other half to RTPAs. The region typically receives approximately \$50,000 in STA funds annually. Over the life of the RTP the County anticipates approximately **\$1.0 million** in STA funding for capital and operational improvements.

Assembly Bill 86 and 89

The TCTC is aware that the Governor signed AB 86 and AB 89 that will replace the sales tax on gasoline with an excise tax. The actual ramifications for future revenues and/or transit impacts are not known at this time. When the actual effect of the two bills is known, they will be incorporated into future RTP updates and revenue estimates.

Highway User Tax (State Gasoline Tax)

Highway User Tax (HUT) are used primarily for the maintenance of county roads. The region anticipates approximately **\$ 47.3 million** from the HUT through 2030.

Proposition 1B

Proposition 1B, approved by the voters in November 2006, authorized the issuance of \$19.925 billion in State general obligation bonds for specific transportation programs intended to relieve congestion, facilitate goods movement, improve air quality, and enhance the safety of the state's transportation system. Consistent with the requirements of Proposition 1B, the Trinity County Board of Supervisors programs and allocates bond funds in each of the above-mentioned program areas. As of October 2009, 37 Proposition 1B projects representing more than \$400 million in bond funds are ready for construction (delivered) and awaiting allocation. The final allocation of Proposition 1B funds included **\$1.3 million** for Trinity County. The County Board of Supervisors has approved a program for this amount, including drainage and road rehabilitation, shoulder widening and turnouts, matches to cooperative multi-agency projects, and transit enhancements. The funding has been allocated and the projects are underway, to be completed by June 30, 2013.

Bicycle Transportation Act (BTA) and Safe Routes to School Programs (SR2S)

The BTA provides funding for projects that serve and encourage bicycle use. The account is supported by a portion of the state gasoline tax. Statewide, approximately \$5 to \$7 million is made available each year. Because these funds are very limited, comparatively less-costly projects, such as bike parking facilities, are more likely to receive funding than high-cost projects. Public agencies that have an approved Bicycle Transportation Plan in place are eligible to apply for funding. Local agencies must fund at least 10% of the cost of BTA projects.

The State's SR2S program is primarily a construction program. Projects funded by the program are intended to improve the safety of students who walk or bike to school. Construction improvements must be made on public property. Maximum reimbursement from State budget cannot exceed 90%. Maximum amount of SR2S funds for any single project is \$900,000. Eligible projects include: pedestrian facilities, traffic calming, traffic control devices, bicycle facilities, public outreach; and enforcement.

The County anticipates receiving approximately **\$1.7 million** from both programs through 2030.

Aviation Funding

Aviation funding for Trinity County is provided mainly by two sources – The Federal Aid Improvement Program (AIP) and the California Aid to Airports Program (CAAP). The FAA provides 90% federal funding, with 10% local funding, for general aviation airports. FAA funds are derived from user charges, such as taxes on aviation fuels, taxes on civil aircraft, and a surcharge on air passenger fares. These funds can be used for most capital expenditures. The California Aid to Airports Program (CAAP) can be used to pay a portion of the match for the FAA grants, and also makes state-only grant funds available for airport development and operation.

Although funding for aviation comes from both State and federal sources, the State administers the distribution of funds and therefore revenue estimates are shown under the State category. The TCTC anticipates approximately **\$10.1 million** from both sources through 2030.

LOCAL REVENUES

The TCTC anticipates approximately **\$6.7 million** from all local sources for roads, transit and aviation through 2030.

Transit Fares

Trinity County receives revenues from various subsidies as well as transit fares on its fixed route systems. The TCTC estimates future revenues from all transit fares is approximately **\$826,000** through 2030. These funds will be used for both operating and capital expenditures.

Airport Income

Trinity County receives revenues from its airport operations for rent, storage and services. During the life of the RTP, the TCTC estimates approximately **\$1.7 million** in airport revenues.

Local Transportation Fund (LTF)

Existing law requires that ¼ percent of statewide sales and use tax money be transferred to the local transportation fund of the county for allocation, as directed by the RTPA, to various transit projects and programs. The LTF also provides limited funds (2 percent set aside) for the construction and maintenance of pedestrian or bicycle facilities. The TDA also allows local agencies to use LTF funds on local streets and roads, provided that all unmet transit needs that are found "reasonable to meet" are funded. Under current law, Trinity County anticipates approximately **\$4.1 million** in LTF funding through 2030.

PROJECT COST SUMMARY

Funding Sources by Mode

The following revenue distributions (pie charts) are based on **Table 5.1**.

Roadway/Bridges

The funding for Tier 1, 2 and 3 roadway and bridge projects comes from several sources. Capacity enhancement projects on the regional road network are primarily funded through the State Transportation Improvement Program (STIP). Approximately 43% of road capital funding comes from the STIP by itself. Bridge projects are normally funded through the HBP with the required match funded by the STIP or Toll Credits. Approximately 23% of projects use these sources. Safety projects are funded by the HSIP, amounting to 2% of anticipated revenues. The Forest Highways program implements projects valued at almost a third of road funding in the County. Note: SHOPP projects on State Highways programmed and/or proposed by Caltrans are not included in the total.

STIP
HBP
23%
HSIP
2%
Prop
1B
1%

Transit

Funding for transit and transportation planning come from six sources. The largest share comes from LTF. The federal 5311 and 5311(f) programs provide 45% of funding. LTF accounts for 38% while STA, Fares and Prop 1B provide the remaining 20%.

LTF
38%

Non-Motorized (Bicycle and Pedestrian)

Funds for non-motorized projects are available from several state and Federal programs, as well as local sources. The majority of funding (91%) is anticipated from Transportation Enhancement (TE). The remaining funds will come from BTA and SRTS grants. On occasion, non-transportation agencies, such as the Weaverville Basin Trails Committee and the Resource Conservation District obtain grants for recreational trails from the California Department of Recreation, US Forest Service, and other sources. Matches are usually provided with volunteer labor, if allowed by the granting agency.

TE
91%

Aviation

The primary fund sources (83%) for Aviation projects in the 2010 RTP come from the federal Aid to Airports (AIP) program. Airport income accounts for the remaining 17% of funding.

PROJECT COSTS VS. TOTAL REVENUES

The 2010 Trinity County RTP is fiscally constrained through 2030 based on revenue assumptions in this Chapter. **Table 5.4** provides a comparison of total costs and revenues through 2030.

Modes	Total Costs	Total Revenues	Capacity (+/-)
Roads/Bridges	\$102,800,000	\$99,900,000	-\$2,900,000
Transit Capital/O&M	\$11,200,000	\$11,200,000	\$0
Non-Motorized	\$18,300,000	\$18,700,000	+\$400,000
Aviation	\$11,700,000	\$11,800,000	+\$100,000
O&M (Road/ Bridges)	\$71,000,000	\$74,000,000	+\$3,000,000
Total Project	\$215,000,000	\$215,600,000	+\$600,000
Source: Trinity County 2011			

Overall, the RTP shows a total project cost of \$215 million for all modes and total revenues of \$215.6 million to pay for those costs. The \$600,000 surplus will change as projects advance to actual construction stage and actual revenue and cost sources are refined through federal and state budget allocations. The shortage of funds in the Roads/Bridges category shows that some Federal funding sources require a County match. The match would be derived from the excess funds shown in Operations and Maintenance, which are discretionary Road Funds that would otherwise be used for Operations and Maintenance.

FUNDING STRATEGY

The RTP for Trinity County identifies key short-range (0-5 years), mid-range (6 - 15years) and long-term (16-20 years) road improvements for the County's transportation system. These projects are categorized as either Tier 1, Tier 2 or Tier 3. Funding sources for these projects come from various federal, state and local sources including STIP, SHOPP (Major and Minor) Program, HBP, HSIP, Forest Highways, other grants, and limited local funding from gas taxes, highway users tax and forest receipts. The RTP also identifies a series of multi-modal projects and programs such as transit improvements, bicycle improvements, and pedestrian improvements. However, in spite of the reauthorization of SAFETEA-LU, and the funding targets established by the TCTC, the following funding questions remain critical to the County's transportation system:

- How should limited transportation funds be prioritized to meet the needs of motorists, transit riders, goods movement, bicyclists, pedestrians, and visitors over the next 20 years?
- Which specific transportation improvement projects and/or programs should be funded with Federal and State dollars as opposed to local dollars?
- What type of funding strategy should Trinity County adopt to provide the needed transportation improvements to its transportation system while maintaining the existing system?

To help answer these questions, four potential funding strategies are provided, each with a different approach to maximizing the use of limited transportation funding in Trinity County. These approaches are based on the policy directions identified in Section III – Policy Element. The first three strategies focus on prioritizing projects based on projected funding revenues while the fourth strategy outlines options for increasing local revenues.

Strategy 1 –Primary Focus on State Highways

This approach would channel the majority of revenues to State highway projects and target those areas that show the greatest deficiencies. The deficiencies are identified through the analysis of LOS, truck volumes, and future LOS deficiencies. New local road projects may assume a lower priority depending on policy set by the TCTC in the development of future STIPs. The predictable outcomes from this approach are that the availability of STIP dollars for local road reconstruction may be limited, transit would not improve significantly above current service levels, and multimodal improvements would rely solely on grant funding.

Strategy 2 – Balanced Spending on State Highways and Local Roads

This approach would consider needed capacity, safety and/or reconstruction improvements on local streets and roads of regional significance, in addition to critical State highway projects. It should be noted that except for the TE program, the STIP is now entirely dependent on revenues made available through year-to-year actions taken in the state budget process. These STIP revenues include annual transfers to the Transportation Investment Fund (TIF), which remain subject to suspension under Proposition 42 (notwithstanding the repayment provisions of Proposition 1A), annual appropriations of bond proceeds under Proposition 1B, and annual transfers to the Public Transportation Account (PTA). PTA transfers include both spillover transfers from the Retail Sales and Use Tax Fund and Proposition 42 transfers from the TIF. The result is that the STIP is no longer considered a stable and reliable source of funding by the CTC.

Strategy 3 – Multimodal Emphasis

In addition to highways and roads, this approach would channel some funds into multi-modal improvements including transit, bicycle, pedestrian facilities and ITS. Opportunities for implementing congestion reducing TSM and TDM strategies are very limited in Trinity County. Although investment in multi-modal projects does provide increased air quality benefits and will help the County position itself to help reduce VMT and ultimately GHG. However, the effectiveness in reducing automobile trips through mode shifting can be somewhat limited in rural areas. The type and extent of any investment in the County for TSM and TDM and/or ITS New Technology projects would have to be weighed against funding limitations and the required trade-offs with road improvements and maintenance needs. Currently, the County relies on Caltrans ITS for the majority of its improvements. The use of grant funds such as BTA, Safe Routes to School (SR2S), etc. are recommended to continue for multi-modal projects.

Strategy 4 – Increase Local Revenues

New local revenue sources are limited in Trinity County due its rural nature and limited development. The slow growth in the County would make implementation of a Traffic Impact Fee (TIF) impractical. Also, having developers pay their “fair share” would place a burden on the small amount of rural development that does occur. Under this scenario, the County should lobby for continuation of maintenance funding sources such as forest receipts and Prop 1B to help meet local needs for road maintenance as well as reconstruction and rehabilitation.

SUPPORT ACTIONS TO MAXIMIZE LIMITED FUNDS

The following actions are recommended to help maximize the use of limited transportation funds, regardless of the specific funding strategy.

- STIP funds should be used for local road rehabilitation, reconstruction and capacity improvements in the most congested and impacted areas on county roads. The TCTC should implement the highest priority projects from the Action Element based on purpose and need, and consistent with the policy direction decided by the TCTC. The TCTC should pursue all discretionary and grant-based programs available so that non-road projects such as transit, aviation, bike and pedestrian, can be implemented.
- A new source of maintenance funding should be pursued at the State level as opportunity arises. The TCTC and County should partner with Caltrans and neighboring Regional Transportation Planning Agencies, wherever possible, to attract additional ITIP and SHOPP projects in the County. Even though the SHOPP is a Caltrans' managed program earmarked for non-capacity increasing projects on the State highway system, local agencies should be encouraged to partner with Caltrans on important SHOPP funded projects that have regional significance.