PREFACE TO THE MEASURE I 2010-2040 STRATEGIC PLAN, 2017 UPDATE

Development of the Measure I 2010-2040 Strategic Plan was initiated in 2005 to define the policy framework for delivery of the projects and programs referenced in the new Measure. The Strategic Plan is the policy manual for delivery of the Measure I programs by SBCTA and its member agencies and was approved by the SBCTA Board of Directors on April 1, 2009. This update to the Strategic Plan was approved by the Board on September 6, 2017.

The report is presented in two parts. Part 1 provides an overview of Measure I 2010-2040, describes the scope of each Measure I program, presents financial information, and provides an overview of the policy structure for each program. Part 2 presents the specific policies by which each Measure I program will be administered. The policies are referenced by a policy number and a program acronym. The acronym corresponds to the name of the program. If there are any differences in the language between Part 1 and the policies in Part 2, the specific policy language in Part 2 shall apply. The Strategic Plan and its policies may be accessed on the SBCTA website at http://www.gosbcta.com/plans-projects/funding-measureI.html.

The Strategic Plan is intended to be updated periodically to reflect changes in project costs, revenues, economic conditions, and project priorities that will undoubtedly occur over the 30-year life of the Measure. Changes in Strategic Plan policies can be considered at any time deemed appropriate by the SBCTA Board of Directors. The most current policies will always be available on the SBCTA website. Questions on the Strategic Plan should be directed to Steve Smith, Director of Planning, at (909)884-8276 or ssmith@gosbcta.com.
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I. Introduction

I.A. Measure I Half-Cent Sales Tax – History and Background

The California State Legislature authorized county transportation authorities to enact local option sales tax measures for transportation improvements in the late 1980s, under provisions of Division 19 (commencing with Section 180000) of the Public Utilities Code. In November 1989, San Bernardino County voters approved passage of Measure I, authorizing the San Bernardino County Transportation Authority (SBCTA) to impose a half cent retail transactions and use tax applicable in the incorporated and unincorporated areas of the County of San Bernardino for the 20-year period between April 1, 1990 and March 31, 2010. The SBCTA Board serves as the Authority Board of Directors. Revenue from the tax could only be used for transportation improvement and traffic management programs authorized in the Expenditure Plan set forth in Ordinance No. 89-1.

By March 2010, Measure I had generated approximately $1.8 billion in nominal (escalated) dollars of revenue for transportation projects throughout San Bernardino County over the 20-year life of the Measure. The list of accomplishments is extensive and includes initiation of Metrolink commuter rail service, construction of the SR-71 and SR-210 freeways; widening of I-10, SR-60, and I-215, the widening and maintenance of various arterial roadways and local streets throughout San Bernardino County, and support for transit operators throughout the County.

Early in the second decade of Measure I, it became apparent that continuation of the half-cent sales tax would be critical to maintaining funding for transportation in San Bernardino County. SBCTA member jurisdictions and transportation stakeholders worked to identify transportation needs, and an expenditure plan was developed to serve as a basis for the renewal of Measure I. Ordinance No. 04-01 was placed before voters in November 2004, and Measure I was renewed resoundingly, with just over 80% of the vote. The new Measure I extends the half-cent sales tax for 30 years, from April 1, 2010 through March 31, 2040. The new Measure is referred to as Measure I 2010-2040 to distinguish it from the first Measure I.

I.B. Purpose of the Measure I 2010-2040 Strategic Plan

In August 2005, the SBCTA Board of Directors approved a Strategic Plan Scope of Work to address significant policy, fiscal, and institutional issues associated with administration and implementation of Measure I 2010-2040. The approved Scope noted that the magnitude of Measure I 2010-2040 rivals the transportation budgets of some states. It was also noted that the policy, fiscal, and institutional issues associated with administration of Measure I 2010-2040 are complex and interrelated, and that they differ among the Valley, Mountain, and Desert areas of the County. By approving preparation of this Strategic Plan, SBCTA demonstrated its intent to address these issues and set a course for implementation through a measured, comprehensive, strategic planning process.
Consistent with the approved Scope of Work, the Strategic Plan is the official guide and reference for the allocation and administration of the combination of local transportation sales tax, state and federal transportation revenues, and private fair-share contributions to regional transportation facilities from new development needed to fund delivery of the Measure I 2010-2040 transportation program. It also establishes the policies, procedures and institutional processes needed to manage the implementation and on-going administration of Measure I 2010-2040.

The administrative policies and procedures described in the original 2009 version of the Strategic Plan were products of more than three years of analysis of fiscal and procedural alternatives, discussion and direction provided through technical and policy committees, and approval by the SBCTA Board of Directors. The Strategic Plan includes specific actions and policies to be implemented in the near-term, and broader, more conceptual guidance for the out-years of the Measure. As noted in Section II.E, the Strategic Plan will be updated periodically to reflect the changes in costs, revenues, conditions, and priorities that will undoubtedly occur over the life of Measure I 2010-2040.

I.C. Approach to the Measure I 2010-2040 Strategic Plan

The Strategic Plan is intended to structure Measure I 2010-2040 programs so that they:

- Fulfill commitments made to the voters
- Are financially feasible and scaled to the revenue projected to be available
- Are implemented with policies and procedures that provide financial accountability, treat each of SBCTA’s member jurisdictions equitably, and provide predictable access to Measure I revenues
- Can be managed with the resources available to SBCTA

The Strategic Plan has been developed based on the best available information of projected Measure I 2010-2040 revenues and program costs. History has shown that projections of up to 30 years into the future are extremely uncertain. For example, the predictions by regional demographers in 1978 of the San Bernardino County population in year 2000 were 50% low over just that 20-year span. Projections of funding, which depend on forecasts of population growth and other variables, should be viewed as order-of-magnitude. Funding availability can vary significantly, even dramatically, from one year to the next. Forecasts of federal and state revenues must be made over 30 years of congressional and legislative cycles with highly unpredictable outcomes. The federal and state revenues are dependent not only on the willingness of these bodies to renew and fund programs, but on their willingness to modify revenue sources to keep pace with needs.

In summary, although SBCTA intends to be realistic in terms of revenue and cost projections, reality could vary significantly from these assumptions. The Strategic Plan policies and procedures have been prepared so that project delivery can adapt to these uncertainties. Scope adjustments have already been made to some of the programs in light of information generated during the Strategic Plan development process. Several programs have been structured based on
the prioritization of projects, thereby controlling commitments made to Measure I dollars. Updates to the Strategic Plan to better reflect future conditions will occur as indicated in Section II.E.

I.D. Measure I 2010-2040 Strategic Plan Organization

The remainder of the Strategic Plan is organized into two parts:

- Part 1 – Measure I 2010-2040 Implementation Strategy and Program Description
- Part 2 – Measure I 2010-2040 Policies

Part 1 describes the strategy for implementation of Measure I at the countywide level as well as for the individual programs within each geographic subarea. Part 2 contains the specific policies that govern each of the programs, describing the rules and procedures by which SBCTA manages Measure I projects and interacts with local jurisdictions in funding projects and facilitating project delivery.

Part 1 consists of the following sections:

- Section I. Measure I 2010-2040 Strategic Plan Introduction – Provides a brief overview of the approach and structure of the Strategic Plan.
- Section II. Measure I 2010-2040 Expenditure Plan – Provides a description of how the Measure is organized into geographic subareas and programs, defines eligible projects, and specifies funding percentages for programs within each subarea.
- Section III. Measure I 2010-2040 Strategic Plan Framework – States the Board-adopted Strategic Plan principles and provides an overview of the countywide implementation strategy.
- Section IV. Measure I 2010-2040 Subarea Programs – Presents the scope, financial analysis, and implementation actions for each subarea and program. The comprehensive list of policies pertaining to each specific Measure I program are provided in Part 2.
II. Overview of the Measure I 2010-2040 Expenditure Plan

II.A. Measure I 2010-2040 Subarea and Program Overview

II.A.1. Background

The voters of San Bernardino County approved San Bernardino County Transportation Authority Ordinance 04-01 on November 4, 2004. The Ordinance is referred to in the Strategic Plan as Measure I 2010-2040 to distinguish it from the 20-year half-cent sales tax measure that took effect in April 1990. A complete copy of the Ordinance, including the Expenditure Plan, is provided in Appendix A. The financial data in the Expenditure Plan has been updated for this Strategic Plan.

The Measure I retail transactions and use tax is statutorily dedicated for transportation purposes only in San Bernardino County and cannot be used for other governmental purposes or programs. There are specific safeguards in the Ordinance to ensure that funding is used in accordance with the specified voter-approved transportation project improvements and programs.

The Measure I Ordinance contains maintenance-of-effort provisions stating that funds provided to government agencies by Measure I are to supplement, and not replace, existing local revenues being used for transportation purposes. In addition, Measure I 2010-2040 revenues are not to replace requirements for new development to provide for its own road needs. The Ordinance further states that Measure I funding priorities should be given to addressing current road needs, easing congestion, and improving roadway safety.

Eligible expenditures include those for planning, environmental reviews, engineering and design costs, related right-of-way acquisition, and construction. Eligible expenditures also include, but are not limited to, debt service on bonds and expenses in connection with issuance of bonds.

II.A.2. Subarea and Program Structure

Measure I 2010-2040 is organized into the following subareas as shown in Figure II-1:

- San Bernardino Valley
- Victor Valley
- Mountains
- North Desert
- Morongo Basin
- Colorado River
Figure II-1

Legend
- Subarea Boundary
Additionally, the Ordinance establishes a Cajon Pass Expenditure Plan, which includes portions of both the San Bernardino Valley and Victor Valley Subareas. It is funded by 3% of the revenue generated by the San Bernardino Valley and Victor Valley Subareas.

Measure I 2010-2040 has a return-to-source provision that states that funds shall be allocated to subareas in accordance with the actual revenue collected in each subarea. After deduction of required Board of Equalization fees and authorized administrative costs, revenues generated in each subarea are to be expended on projects of direct benefit to that subarea. Revenues are accounted for separately for each subarea and then allocated to specified project categories in each subarea. These project categories are termed “programs” in this Strategic Plan.

Decisions on how revenues are expended within the subareas are made by the SBCTA Board of Directors, based upon recommendations of local subarea representatives. Other than the projects identified in the Cajon Pass Expenditure Plan, revenues generated within a subarea can be expended outside of that subarea only upon approval of two-thirds (2/3) of the jurisdictions within the affected subarea. A proportional share of projected State and federal transportation funds is to be reserved for use solely within the Valley Subarea and individual Mountain/Desert (Colorado River, Morongo Basin, Mountains, North Desert and Victor Valley) Subareas.

In the San Bernardino Valley Subarea, Measure I 2010-2040 contains the following programs:

- Freeway Program
- Freeway Interchange Program
- Major Street Program
- Local Street Program
- Metrolink/Rail Program
- Express Bus/Bus Rapid Transit Program
- Senior and Disabled Transit Program
- Traffic Management Systems Program

In each of the Mountain/Desert Subareas, Measure I 2010-2040 contains the following programs:

- Local Street Program
- Major Local Highway Program
- Senior and Disabled Transit Program

Project eligibility and Measure I funding distribution for each of the programs are delineated in Section II.A.4.

II.A.3. Contributions from New Development

Section VIII of the Measure I ordinance states specific development mitigation requirements:
SECTION VIII. CONTRIBUTIONS FROM NEW DEVELOPMENT. No revenue generated from the tax shall be used to replace the fair share contributions required from new development. Each local jurisdiction identified in the Development Mitigation Program must adopt a development financing mechanism within 24 months of voter approval of the Measure ‘I’ that would:

1) Require all future development to pay its fair share for needed transportation facilities as a result of the development, pursuant to California Government Code 66000 et seq. and as determined by the Congestion Management Agency.

2) Comply with the Land Use/Transportation Analysis and Deficiency Plan provisions of the Congestion Management Program pursuant to California Government Code Section 65089.

“The Congestion Management Agency shall require fair share mitigation for regional transportation facilities through a Congestion Management Program update to be approved within 12 months of voter approval of Measure ‘I’.”

SBCTA serves as the Congestion Management Agency for San Bernardino County. The SBCTA Board approved modifications to the Congestion Management Program (CMP) to incorporate these provisions for the urbanized areas of the County (including the incorporated jurisdictions of the Valley and Victor Valley and their unincorporated spheres of influence) in November, 2005. The SBCTA Development Mitigation Program adopted into the CMP includes the Land Use/Transportation Analysis Program, Development Mitigation Nexus Study and the development mitigation implementation language: Chapter 4, Appendix G and Appendix F of the CMP, respectively. Jurisdictions in the Valley and Victor Valley subsequently approved the creation or update of development impact fee (DIF) programs that include mitigation for improvements to freeway interchanges, rail/highway grade separations, and arterial streets on the regional network.

II.A.4. Revenue Distribution and Eligible Projects by Subarea and Program

As indicated above, Measure I funds shall be allocated to subareas based on return-to-source of the actual revenue generated. The Cajon Pass Expenditure Plan will receive 3% of the revenue generated in the San Bernardino Valley Subarea and the Victor Valley Subarea. This revenue will be reserved in an account for funding of projects, such as the I-15/I-215 Interchange in Devore, I-15 widening through Cajon Pass, and truck lane development. The programs for the San Bernardino Valley and Mountain/Desert Subareas are explained below:
San Bernardino Valley Subarea

- Freeway Program
  - Receives 29% of revenues collected in the Valley Subarea.

- Freeway Interchange Program
  - Receives 11% of revenues collected in the Valley Subarea.
  - Eligible projects include various interchanges on I-10, I-15, SR-60, I-215, and SR-210. The SBCTA Nexus Study contains the list of freeway interchanges in the Valley that are eligible for these funds.

- Major Street Program
  - Upon initial collection of revenue, the Major Street Program will receive 20% of revenue collected in the Valley Subarea. Effective ten years following initial collection of revenue, the Major Street Program allocation shall be reduced to no more than 17% but to not less than 12% upon approval by the Authority Board of Directors and the Express Bus/Bus Rapid Transit Service allocation shall be increased by a like amount. Equitable geographic distribution of projects shall be taken into account over the life of the program.
  - The SBCTA Nexus Study and CMP requirements have established projects that are eligible for funding under this program. Both rail/highway grade separations and arterial roadway improvements on the regional Nexus Study Network are eligible. The regional network is identified in the Nexus Study.

- Local Street Program
  - Receives 20% of revenue collected in the Valley Subarea. This revenue is distributed to local jurisdictions monthly for local street projects. Allocations to jurisdictions shall be on a per capita basis using the most recent State Department of Finance population estimates for January 1.
  - Local street projects are defined as local street and road construction, repair, maintenance and other eligible local transportation priorities. Expenditure of funds shall be based on a Five Year Plan adopted annually by the governing body of each jurisdiction. Funds are passed by SBCTA directly through to the local jurisdictions.

- Metrolink/Rail Program
  - Receives 8% of revenue collected in the Valley Subarea.
  - Eligible expenditures include, in part, purchase of additional Metrolink commuter rail passenger cars and locomotives, construction of additional track capacity, construction of additional parking spaces at Metrolink stations, new passenger rail service between San Bernardino and Redlands, and extension of the Gold Line light rail to Montclair.
  - This is a continuation of the subsidy to transit operators to reduce fares for senior and disabled citizens and provides an additional 2% for the formation of a Consolidated Transportation Services Agency.
- **Express Bus/Bus Rapid Transit Service**
  - Upon initial collection of revenue, the Express Bus/Bus Rapid Transit Service category will receive 2% of revenue collected in the Valley Subarea. Effective ten years following initial collection of revenue, the Express Bus/Bus Rapid Transit Service category shall be increased to at least 5%, but no more than 10% upon approval by the Authority Board of Directors. The Major Street Projects category shall be reduced by a like amount.
  - Funds in this category shall be expended for the development, implementation, and operation of express bus and bus rapid transit (BRT) service, to be jointly developed by SBCTA and transit service agencies serving the Valley Subarea.

- **Senior and Disabled Transit Service**
  - Receives 8% of revenue collected in the Valley Subarea.

- **Traffic Management Systems**
  - Receives 2% of revenue collected in the Valley Subarea.
  - Eligible projects include signal synchronization, systems to improve traffic flow, commuter assistance programs, freeway service patrol, and projects which contribute to environmental enhancement associated with transportation facilities.

Figure II-2 summarizes the percentage distribution for Valley programs.

**Mountain/Desert Subareas**

The following Expenditure Plan requirements apply to each of the Mountain/Desert Subareas, including the Victor Valley, North Desert, Mountains, Morongo Basin, and Colorado River Subareas:

- **Local Street Program**
  - Upon initial collection of revenue, the Local Street Program will receive 70% of revenue collected within each subarea. In the Victor Valley Subarea, the percentage for the Local Street Program shall decrease by .5% in 2015 with additional decreases of .5% every five years thereafter to a maximum decrease of 7.5% and the Senior and Disabled Transit Program allocation shall be increased by a like amount. In the North Desert, Colorado River, Morongo Basin, and Mountain Subareas, local representatives may decrease the Local Street Program allocation to provide additional funding to the Senior and Disabled Transit Program upon a finding that such decrease is required to address unmet transit needs of senior and disabled transit services. 2% of revenue collected within each subarea shall be reserved in a special account to be expended on Project Development and Traffic Management Systems.
Upon initial collection of revenue, the Major Street Program will receive 20% of revenue collected in the Valley. Effective ten years following initial collection of revenue, the Major Street Program allocation shall be reduced to no more than 17% but to not less than 12% upon approval by the Authority Board of Directors and the Express Bus/Bus Rapid Transit Service allocation shall be increased by a like amount.
After reservation of 2% collected in each subarea for Project Development and Traffic Management Systems, the remaining amount of funds in the Local Street Program shall be allocated to local jurisdictions based on population (50%) and tax generation (50%).

Local street projects are defined as street and road construction, repair, maintenance and other eligible transportation priorities established by local jurisdictions. Expenditure of funds shall be based on a Five Year Plan adopted annually by the governing body of each jurisdiction. Funds are passed by SBCTA directly through to the local jurisdictions.

• Major Local Highway Program
  - 25% of revenue collected within each subarea shall be reserved in a special account to be expended on Major Local Highway Projects of benefit to the subarea.
  - Major Local Highway Projects are defined as major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways, where appropriate. Major Local Highway Projects funds can be utilized to leverage other state and federal funds for transportation projects and to perform advance planning/project reports.

• Senior and Disabled Transit Program
  - 5% of revenue collected within each subarea shall be reserved in an account for Senior and Disabled Transit Service. Senior and Disabled Transit funding is defined as contributions to transit operators for fare subsidies for senior citizens and persons with disabilities or enhancements to transit service provided to seniors and persons with disabilities.
  - In the Victor Valley Subarea, the percentage for Senior and Disabled Transit Service shall increase by .5% in 2015 with additional increases of .5% every five years thereafter to a maximum of 7.5%. All increases above the 5% initial revenue collected for Senior and Disabled Transit Service shall come from the general Local Street Projects category of the subarea.
  - In the North Desert, Colorado River, Morongo Basin, and Mountain Subareas, local representatives may provide additional funding beyond 5% upon a finding that such increase is required to address unmet transit needs of senior and disabled transit services. All increases above the 5% initial revenue collected for Senior and Disabled Transit Service shall come from the general Local Street Projects category of the subarea.

• SBCTA’s Mountain/Desert Policy Committee shall remain in effect and provide oversight to implementation of the Mountain/Desert Expenditure Plan.

Figure II-3 summarizes the percentage distribution for each of the Mountain/Desert Subarea programs
**II. Measure I Revenue Estimates**

### II.B.1. Background

The November 2004 Expenditure Plan for Measure I 2010-2040 estimated that $6 billion would be generated by the half-cent sales tax over 30 years. Estimates of revenue for each subarea and
program were derived from this overall revenue forecast. Estimates were in 2004 dollars and stated to be not binding or controlling. The expectation was that the revenue estimates would be periodically updated.

In April 2006, Dr. John Husing prepared a revised Measure I revenue forecast of $8.35 billion in 2005 dollars. The upward revision to the revenue forecast was developed by revising several key assumptions that had previously been used during the preparation of the original Expenditure Plan. At its August 2006 meeting, the SBCTA Board adopted a slightly more conservative revenue estimate of $8.0 billion for purposes of initiating work on the Measure I 2010-2040 Strategic Plan.

Modifications to the revenue assumptions by Dr. Husing in early 2008 lowered the 30-year non-inflated Measure I revenue estimates to $7.25 billion in 2008 dollars, which is the estimate on which the 2009 Strategic Plan was based.

One of the key requirements of the 2009 Strategic Plan was the preparation of a 10-Year Delivery Plan. The purpose of the 10-Year Delivery Plan is to provide a transparent list of projects that will be developed during the next 10 years and to define the scope, schedule, and budget for these projects, given current information and assumptions. The 10-Year Delivery Plan establishes a common understanding among members of the SBCTA Board, staff, member agencies, and citizens of San Bernardino County; sets a baseline upon which future changes in revenues, costs, scopes, and schedules are measured; enables SBCTA to meet the requirements of bond rating agencies for the future sale of bonds; serves as a SBCTA commitment to fund specific projects; and provides the basis for the preparation of SBCTA’s annual budgets for capital projects.

The 10-Year Delivery Plan is updated every two years to capture revisions and updates and to stay current. The first 10-Year Delivery Plan was adopted by the SBCTA Board in January 2012 and subsequently updated in 2014. The next update was delayed to 2017 so that results of several grant opportunities could be incorporated into the plan. The 2017 Update was adopted by the SBCTA Board on March 1, 2017. It contains updated revenue forecasts as well as current project information and therefore represents the foundation for the 2017 Update of the Measure I Strategic Plan. The Measure I revenue forecast in the 10-Year Delivery Plan is generated in nominal (escalated) dollars and is $6.83 billion for the years 2010-2040. Figure II-4 shows annual Measure I revenue, including the actuals for FY 2010/2011 through FY 2015/2016.
II.B.2 Measure I Subarea Revenue Estimates

SBCTA staff develops subarea revenue estimates for budgeting, project planning, and strategic planning purposes. The methodology disaggregates Measure I revenue to subarea levels in a way that reflects projected growth patterns.

Each Measure I subarea receives its funds based on a return-to-source calculation. SBCTA staff has information for the current subarea revenue distribution; however, each of the Measure I subareas will continue to grow at different rates. A methodology was approved by the SBCTA Board in January 2007 that considered both historical per capita revenue growth and population growth.

In FY 2015/2016, San Bernardino Valley received approximately 78.6% of the Measure I revenue and the Victor Valley Subarea received approximately 10.2%, after the 3% contribution for the Cajon Pass was taken out for each subarea. The Valley generates the bulk of the revenue because of the large population and the more mature retail sector, when compared to the other Measure I subareas. Over the 30-year life of the Measure the relative percent share for the San Bernardino Valley Subarea is projected to average 78.9%, but to gradually decrease to 77.8% in the final year of the Measure. The relative share for the Victor Valley is projected to average 11.6%, but to increase to 12.8% in the final year of the Measure. The change in the projected percent share of Measure I over time is the product of the faster growing communities, the expansion of retail opportunities and retail capture rate of the Victor Valley over the remaining years of the Measure. It should be noted that the North Desert share jumped from 3.26% in FY 2014/2015 to 5.81% in FY 2015/2016, attributable to sales taxes generated from large solar facility installations, but the average share over the 30 years is projected at 3.9%. The prediction
of Measure I subarea shares for strategic planning purposes for all of the subareas is shown in Table II-1.

It is important to note that both the countywide revenue forecast and the forecast distribution to subareas are projections that extend over 20 years into the future. The forecasts have been generated to assist in scaling the programs and projected expenditures to these expectations of revenue. As stated in the Measure I ordinance, the revenue estimates are not binding or controlling. They are a planning tool, and the actual distribution of revenue will occur according to the specifications in the ordinance.

The projected subarea shares were based on annual estimates of revenue, summed over the 30-year life of the Measure. The annual estimates have been used to conduct cash-flow analyses for several of the programs in the 10-Year Delivery Plan. The annual revenue stream is important in understanding the extent to which early project delivery may be possible through bonding against the Measure I revenue stream. Additional information on revenue projections is provided in the sections discussing individual programs.

<table>
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<tr>
<th>S.B. Valley</th>
<th>Col. River</th>
<th>Mor. Basin</th>
<th>Mountains</th>
<th>No. Desert</th>
<th>V. Valley</th>
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</thead>
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<td>78.9%</td>
<td>0.15%</td>
<td>1.4%</td>
<td>1.3%</td>
<td>3.9%</td>
<td>11.6%</td>
</tr>
</tbody>
</table>

Note: Totals do not add to 100%. The Cajon Pass Expenditure Plan is projected to receive approximately 2.8%, in addition to the figures listed above.

II.C. Development Mitigation Program Requirements

II.C.1. Background

The Development Mitigation Program was initiated in response to specific language that was included in the Measure I 2010-2040 Ordinance. The development contribution requirements of Measure I 2010-2040 are included in Section VIII of the ordinance, which was referenced in Section II.A.3.

The SBCTA Development Mitigation Program was approved by SBCTA, acting as the San Bernardino County Congestion Management Agency (CMA), on October 5, 2005 and has been updated every two years, with additional amendments as required. The Development Mitigation Program is comprised of three documents, all of which are included as components of the San Bernardino County Congestion Management Program (CMP) — Chapter 4 of the CMP (“Land Use/Transportation Analysis Program”), Appendix G of the CMP (“Development Mitigation Nexus Study,” originally Appendix K) and Appendix F of the CMP (“Requirements for the Land
II.C.2. Urban and Rural Development Mitigation Requirements

The San Bernardino County CMP implements the Land Use/Transportation Analysis Program and development mitigation requirements with two distinct approaches, depending on geographic location within the County. The first approach addresses the incorporated jurisdictions and the spheres of influence in the San Bernardino Valley and Victor Valley Subareas. The second approach applies to all other areas of the County. These two approaches are summarized below:

1. For San Bernardino Valley and Victor Valley cities and sphere areas: local jurisdictions implement development mitigation programs that generate development contributions for regional transportation improvements equal to or greater than fair share contributions determined through the SBCTA Development Mitigation Nexus Study (Appendix G of the CMP). Regional transportation facilities addressed by the Nexus Study include freeway interchanges, railroad grade separations, and regional arterial highways on the Nexus Study Network. Local jurisdiction development mitigation programs must comply with the implementation requirements established in Appendix F of the CMP. As of January 2007, each local jurisdiction adopted a compliant development mitigation program based on the requirements established by the SBCTA Development Mitigation Program. The local jurisdictions required to participate in the Development Mitigation Program are: Adelanto, Apple Valley, Chino, Chino Hills, Colton, Fontana, Grand Terrace, Hesperia, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Victorville, Yucaipa and the County of San Bernardino for spheres of influence. The development contributions are collected and allocated by local jurisdictions based on policies included in the Valley Freeway Interchange, Valley Major Street, and Victor Valley Major Local Highway Programs contained in this strategic plan. Development contributions are not held by SBCTA.

2. For areas outside the San Bernardino Valley and Victor Valley cities and spheres: local jurisdictions must prepare Traffic Impact Analysis (TIA) reports for proposed development projects exceeding specified thresholds of trip generation. This is a continuation of a requirement established when the CMP was originally approved by the SBCTA Board in 1992. TIA reports must comply with requirements contained in Appendix B of the CMP. Local jurisdictions required to participate in the TIA program are: Barstow, Big Bear Lake, Needles, Twentynine Palms, Yucca Valley and the County of San Bernardino for other un-incorporated areas in the Mountain/Desert Subareas.

At their discretion, jurisdictions outside the urbanized Valley and Victor Valley may adopt Approach 1, in coordination with and subject to the approval of the SBCTA Board. However, an amendment to the Nexus Study is required for this to occur. Estimates of revenue that may be
generated by the development mitigation program are referenced in the Financial Analysis sections of this Strategic Plan for the relevant Valley and Victor Valley programs. Appendices F and G of the CMP should be referenced for policies governing structure of the development mitigation program.

The 2016 update of the Nexus Study estimated that up to $1.4 billion (2015 dollars) in development contributions in the San Bernardino Valley could be available to interchanges, rail/highway grade separations, and arterial projects on the regional network to supplement Measure I resources. The Nexus Study estimated that up to $620 million in development contributions could be available for such projects in the Victor Valley. Most jurisdictions have additional development-based fees and mitigation for local street projects that are not part of the regional network. Development contributions will likely be part of the funding picture for other Mountain/Desert Subareas as well, but these will occur on a project-by-project basis in accordance with site-specific traffic studies and mitigation requirements.

II.D. Other Sources of Revenue

The purpose of this section is to provide an overview of State and federal funding for transportation, as related to the delivery of Measure I projects. A basic understanding of state and federal funding processes and trends is important to establish sound policy direction. State and federal funding continues to be an important component of project delivery in the Measure I Expenditure Plan. However, the share of State and federal funding on transportation projects has been steadily declining over the past 25 years. Through the mid-1990s in California, State and federal transportation revenues accounted for almost 75% of total transportation funding, and local agencies contributed approximately 25%. The 2016 SCAG Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) indicates that 58% of the funding for the plan will come from local dollars, including sales tax measures, development fees, toll revenue, transit fares, and other local sources. Prior to the passage of Senate Bill 1 in April 2017, California had not raised its fuel tax since 1990, and virtually all of the gas tax available to the State is being used for maintenance of the existing system. The increases in fuel taxes and other fees in SB 1 will increase state transportation revenue by approximately $5 billion per year over the next 10 years, with the majority of the revenue devoted to state and local road maintenance and rehabilitation.

Regarding federal funds, SCAG indicates in the RTP/SCS that Congress has continued to struggle with a long-term solution to provide adequate funding for the Highway Trust Fund, which is the primary source of highway and transit funding from the nationally-imposed 18.3 cent-per-gallon gasoline excise tax. Since 2008, the Trust Fund has required $141 billion in transfers from the General Fund to keep it solvent and the current funding programs under the Fixing America’s Surface Transportation (FAST) Act, enacted in FY 2015/2016, rely on $70 billion of one-time, non-user fees to keep the fund solvent through 2020. That said, the FAST Act provides a predictable source of federal revenue through 2020.
Absent local option sales tax measures, few resources would be available for expansion of the transportation system in California. In total, as of 2017, 20 counties in California have adopted local option sales tax measures to fund transportation improvements. Were it not for Measure I, the substantial improvements to the regional highway and transit systems in San Bernardino County would not have been possible.
The continuity and sustainability of federal funding is uncertain, at best. It is against this backdrop that financial planning for the Measure I 2010-2040 Strategic Plan has been conducted.

II.E. Independent Taxpayer Oversight Committee

Beginning on April 1, 2010, the Independent Taxpayer Oversight Committee (ITOC) was established by SBCTA. The ITOC shall provide citizen review to ensure that all Measure I funds are spent by SBCTA in accordance with provisions of the Expenditure Plan and Ordinance No. 04-01. Given the thirty-year duration of the tax extension, the ITOC shall continue as long as Measure I revenues are collected. The SBCTA Board of Directors and staff shall fully cooperate with and provide necessary support to ensure the ITOC successfully carries out its duties and obligations.

The ITOC shall review the annual audits of SBCTA, report findings based on the audits to the SBCTA Board of Directors, and recommend any additional audits for consideration which the ITOC believes may improve the financial operation and integrity of program implementation. SBCTA shall hold a publicly noticed meeting, which may or may not be included on the agenda of a regularly scheduled Board meeting, with the participation of the ITOC to consider the findings and recommendations of the audits.

SBCTA shall have an open process to select five ITOC members, which shall include solicitation of trade and other organizations to suggest potential nominees to the committee. The ITOC members shall possess the following credentials:

- One member who is a professional in the field of municipal audit, finance, and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
- One member who is a licensed civil engineer or trained transportation planner with at least five years of demonstrated experience in the fields of transportation and/or urban design in government and/or the private sector. No member shall be a recipient or sub-recipient of Measure I funding.
- One member who is a current or retired manager of a major publicly financed development or construction project, who by training and experience would understand the complexity, costs, and implementation issues in building large-scale transportation improvements.
- One member who is a current or retired manager of a major privately financed development or construction project, who by training and experience would understand the complexity, costs, and implementation issues in building large-scale transportation improvements.
• One public member who possesses the knowledge and skills that will be helpful to the work of the ITOC.
• The President of the SBCTA Board of Directors and the Executive Director of the SBCTA shall serve as ex-officio members of the ITOC.

Listed below are additional requirements established in the Measure I Ordinance with regards to the ITOC.
• ITOC members shall serve staggered four-year terms.
• In no case shall any voting ITOC member serve more than eight years on the ITOC.
• ITOC members shall serve without compensation, except they shall be reimbursed for authorized travel and other expenses directly related to the work of the ITOC.
• ITOC members cannot be a current local elected official in the county or a full time staff member of any city, the county government, local transit operator, or state transportation agency.
• Non-voting ex-officio ITOC members shall serve only as long as they remain incumbents in their respective positions and shall be automatically replaced by their successors in those positions.
• If and when vacancies on the ITOC occur on the part of voting ITOC members, either due to expiration of term, death, or resignation, the nominating body for the ITOC shall nominate an appropriate replacement within 90 days of the vacancy to fill the remainder of the term.

ITOC voting members shall have no legal action pending against SBCTA and are prohibited from acting in any commercial activity directly or indirectly involving SBCTA, such as being a consultant during their tenure on the ITOC. ITOC voting members shall not have direct commercial interest or employment with any public or private entity that receives the transportation tax funds authorized by the voters in this Ordinance.

II.F. Strategic Plan Updates and Amendments

This Measure I 2010-2040 Strategic Plan is intended to be updated periodically to reflect changes in project costs, revenues, economic conditions, and project priorities that will undoubtedly occur over the 30-year life of the Measure. Section XIV (1) of the San Bernardino County Transportation Authority Ordinance No. 04-01 states, “Beginning in 2015, and at least every ten years thereafter, the Authority shall review, and where necessary, propose revision to the Expenditure Plan.” It is expected that Expenditure Plan revisions such as those contemplated by Ordinance 04-01 would trigger reconsideration of the Strategic Plan as well. However, changes in Strategic Plan policy to reflect marked changes in fiscal conditions and transportation priorities can be considered at any time deemed appropriate by a majority of the SBCTA Board of Directors.
III. Measure I Strategic Plan Framework

Section III articulates the overall framework for implementation of Measure I 2010-2040. The implementation framework contains strategies that are uniform in application across the county and strategies that are program-specific. Section III covers countywide strategies. Program-level strategies are addressed in Section IV. Section III.A covers the overarching principles adopted by the SBCTA Board to guide the development of the Strategic Plan. Section III.B provides an overview of the implementation strategy, focusing on activities that are countywide in nature.

III.A. Overarching Principles

In January 2007, the SBCTA Board endorsed a set of principles that provide overall guidance and direction to the Strategic Plan. They are the foundation upon which specific program policies are based and include:

1. Deliver all Expenditure Plan projects at the earliest possible date.
2. Seek additional and supplemental funds as needed for completion of all Expenditure Plan projects.
3. Maximize leveraging of State, federal, local, and private dollars.
4. Ensure use of federal funds on otherwise federalized projects.
5. Sequence projects to maximize benefit, minimize impact to the traveling public, and support efficient delivery.
6. Provide for geographic equity over the life of the Measure.
7. Recognize that initiation of project development work on arterial, most interchange, and railroad crossing projects is the responsibility of local jurisdictions. Initiation of project development work on freeway mainline projects and interchange improvements required for the mainline projects is the responsibility of SBCTA.
8. Work proactively with agency partners to minimize the time and cost of project delivery.
9. Structure SBCTA to effectively deliver the Measure projects.
10. Exercise environmental stewardship in delivering the Measure projects.
11. Periodically update the Strategic Plan through the life of the Measure.
12. Utilize debt financing when and where appropriate.

III.B. Overview of the Implementation Strategy

The implementation strategies for each individual Measure I program are addressed in Section IV. However, some elements of the strategy are applicable to all Measure I programs throughout the county. The countywide implementation strategies are designed to effectively deliver the transportation projects for which Measure I was approved by the voters. Implementation strategies common to all Measure I programs include:
Strategy 1: Maximize revenue
Strategy 2: Control project and program cost
Strategy 3: Accelerate project delivery through borrowing, where appropriate
Strategy 4: Remove obstacles to timely project development

Each is discussed in the sections below.

III.B.1. Strategy 1: Maximize Revenue

SBCTA and most other state and local transportation agencies continue to face transportation funding challenges. Measure I and other local sources of transportation funding were originally intended to augment State and federal transportation revenues, but now comprise more than half of total available funding for transportation. As construction costs continue to rise and State and federal funding levels become increasingly uncertain, SBCTA must focus on strategies that maximize revenue with the goal of efficiently delivering priority projects.

Sales tax revenue historically has been a stable source of funding. The original Measure I (1990-2010) did not experience significant volatility in revenue generation for the majority of the Measure’s history. It was not until fiscal year 2007/2008 that Measure I first experienced a contraction of sales tax revenue. Ultimately, growth in Measure I revenue is dependent on growth of taxable sales, which is linked in turn to demographic and economic growth and the maturation of San Bernardino County’s wholesale and retail sectors. These are not areas that SBCTA has the ability to directly influence.

Consequently, SBCTA’s revenue maximization strategy is focused principally on ways the agency can increase its share of State and federal resources to supplement Measure I funding. The revenue maximization strategy is comprised of two elements—delivering additional State and federal transportation resources to the county and maximizing the efficient use of State and federal funds that SBCTA already has been allocated. Section III.B.1.a provides SBCTA’s legislative advocacy approach to delivering more State and federal resources to the agency. Section III.B.1.b and III.B.1.c examine opportunities for SBCTA to maximize the efficient use of the State and federal funding already allocated.

In addition, SBCTA aggressively pursues additional funding from State and federal discretionary grant programs. The State’s Trade Corridors Improvement Fund (TCIF) was a significant source of funding for rail/highway grade separations and interchanges. Funding has also been obtained through the State Active Transportation Program and the Cap-and-Trade funding program. SBCTA has been a recipient of federal funding from the Transportation Investment Generating Economic Recovery (TIGER) program as well. SB 1 now provides for several competitive funding programs.
III.B.1.a. Legislative Advocacy

Annually, the SBCTA Board of Directors adopts a Legislative Platform to clearly articulate the agency’s needs and intergovernmental strategies. The Legislative Platform serves as the basis to proactively engage in policy and legislative initiatives that will enable the SBCTA to deliver projects and programs that meet the needs of our region. This document also guides staff recommendations to the Board of Directors on state legislative, regulatory, and administrative matters that are anticipated to be addressed in the upcoming legislative session.

As part of the overall advocacy strategy, SBCTA staff engages members of the Board of Directors to develop policy priorities that become the focus for action taken on any legislative proposal made at the state or federal level. With the help of professional advocacy firms in Sacramento and Washington D.C, the advocacy effort may involve sponsoring legislation, taking positions on legislative proposals as well as federal/State rule-making, or supporting specific projects beneficial to SBCTA’s ultimate goal of developing and delivering quality transportation projects to the region.

Procedurally, SBCTA staff provides analysis and recommendations to the Legislative Ad Hoc Committee, comprised of the Executive Board, as well as the full Board of Directors, and provides the appropriate direction to the professional advocacy teams for implementation. While the Legislative Platform and the priorities embodied within it, may change from year to year, a consistent set of core principles include:

- Create a greater awareness among stakeholders and elected officials in Sacramento and Washington D.C. of:
  - The County’s transportation/infrastructure needs
  - The significance of the County’s contribution to the region’s freight network, goods movement, and the national economy
  - The disparity of statewide funding allocations that negatively impact the Inland Empire
- Support legislative proposals that:
  - Streamline the state review process and improve timelines for project approvals.
  - Generate additional revenue streams to assist with freight movement investment
  - Collaborate with public and private sector stakeholders on policy and funding matters that enhance economic development and quality of life in the Inland Empire region.

III.B.1.b. Strategy for Maximizing SBCTA Access to Federal Funds:

SBCTA has programming authority for federal funds in the form of apportionments and allocations as described below.

- Apportionments are distributed on a formula basis by population, air basins, or lane miles and specific purposes (such as high priority projects). The majority of federal funds
distributed to the regions are apportionments. Examples are Congestion Mitigation and Air Quality (CMAQ) funds and Regional Surface Transportation Program (RSTP) funds. Many of the apportionments have a federally-imposed four year time limitation but can be carried over from year to year within that time limitation if not spent. The state also imposes a time limitation on the use of federal funds, commonly known as “use it or lose it” provisions, to ensure that no federal funds are lost to the state.

- Allocations are distributed without a mandated distribution formula. Examples of allocated funds are those in the federal High Priority Projects Program, certain Interstate Maintenance Discretionary (IMD) funds, and other discretionary programs. Unlike apportionments, federal allocations typically have no time limitation.

Apportionments to SBCTA are also subject to set limits of annual obligation authority (OA), which is defined as the annual amount of allowable authorizations of federal funds available for an agency. The OA limits the actual federal dollars that the State can authorize, or obligate, each year, and is distributed by formula to agencies with programming authority over federal apportionments. In contrast, federal allocations usually come with their own OA at the time of distribution.

SBCTA is responsible for managing formula-based apportionments and annual obligation authority, and has adopted policies to manage CMAQ and RSTP to ensure that San Bernardino County fully utilizes all apportionments. The Strategic Plan includes a policy on OA management to maximize OA SBCTA receives. It is important to remember that OA determines the actual level of reimbursement that a region receives. The State cannot carry OA over from one year to another, but management of OA among Caltrans and the regional transportation agencies should make it possible to effectively “bank” OA to support periodic delivery of large, costly projects. Strategies are included in the Strategic Plan to maximize access to federal funds, such as:

- Focus on OA management for all apportionment programs. The goal is to deliver over 100% of the annual OA delivery target. OA is distributed at the beginning of each year, and once distributed, if not used within the year, states/regions lose the balance of the OA. To minimize such loss, both federal and State governments have set obligation timelines to ensure that OA is expended by the end of each fiscal year. In California, if a metropolitan planning organization (MPO) or regional transportation planning agency (RTPA) has an unexpended OA balance on May 1, the balance goes back to the statewide OA pool and is given to regions on a first come first served basis. At the federal level, if a state has an OA balance on August 1, OA will be distributed to other states on a first come first served basis. This is known as the “August redistribution.” The Strategic Plan includes an OA management strategy to address the risk of losing OA because of project delay and to improve project delivery to ensure that San Bernardino County delivers at 100% of OA prior to May 1 of each year. This strategy requires SBCTA to establish a project delivery plan that includes specific project schedules for all projects authorized in any given year. The plan will also allow SBCTA to manage delivery schedules to have projects shelf-ready at both the State and federal levels between May and August of each
year. Failure to deliver 100% OA for projects is tantamount to leaving money on the table.

- Focus on timely applications for funding from available grant programs. SBCTA maintains regular communication with FHWA and Caltrans to ensure that SBCTA is able to compete for any available transportation funds that will be awarded throughout the year. SBCTA is also a facilitator to ensure that funds allocated within the County are expended in a timely manner even when the funds are distributed to agencies other than SBCTA.
- In general, avoid obtaining federal earmarks for smaller-scale projects and exchange federal funds for local funds, where appropriate, to expedite project delivery and reduce project development cost.

III.B.1.c. Strategy for Maximizing SBCTA Access to State Funds:

Although the passage of Proposition 1A in 2006 provided a level of protection for gasoline sales tax funds in the State Highway Account, and the passage of Senate Bill 1 in 2017 provided for indexing of the gasoline sales tax and additional funding mechanisms for transportation, primarily for rehabilitation and maintenance activities, State transportation funding is still significantly less than what is needed to address current transportation operational deficiencies. To maximize the efficient use of State funding, the following strategies are utilized by SBCTA:

- Establish strategic project development partnerships with Caltrans to deliver projects in the most cost effective manner possible. For example, if Caltrans desires a Measure I Major Project to address safety or operational deficiencies in addition to the capacity improvement, Caltrans should fund the additional scope of the project.
- Focus on available State grant programs. Establish regular communications with State program coordinators to ensure that SBCTA receives timely notification of funding opportunities and has a thorough understanding of program expectations.
- Focus on accountability in delivering programs with time sensitive funding restrictions. For example, many programs in Proposition 1B had timeline limitations and strict amendment requirements. The State Active Transportation Program has these requirements as well. It is critical to deliver projects with time sensitive funding within the program guidelines to minimize the risk of losing these funds.
- Develop a pool of shelf-ready transportation projects to position SBCTA to take advantage of the opportunities in the event that additional funding from discretionary State programs becomes available.

III.B.2. Strategy 2: Control Project and Program Cost

Delivery of transportation projects is facilitated not only by maximizing revenue, as discussed in Section III.B.1, but also by the effective management of project and program costs. Increased project costs have been significant impediments to project delivery in the past, and cost escalation continues to pose a threat to delivering the full complement of Measure I 2010-2040...
projects. The Strategic Plan delineates a multi-pronged strategy for containing costs based on the following principles:

1. Each Measure I 2010-2040 program must live within the Measure I revenue projected for that program.
2. Project scopes should be tailored to create a balanced, cost-effective transportation system.
3. Programs should be structured so that both SBCTA and local jurisdictions can effectively manage cash-flows and deliver projects in a timely way.
4. Institutional processes should reinforce disciplined project management within SBCTA, Caltrans, and at the local level.
5. SBCTA should pursue legislative initiatives that encourage efficient and effective project delivery.

Each is explained further below.

1. Each Measure I 2010-2040 program must live within the Measure I revenue projected for that program.

Each Measure I program will be able to deliver projects in accordance with its revenue stream identified in the Measure I Expenditure Plan. In the Valley, year-to-year variation may be allowed in the percentage of revenue that is apportioned to each program, excluding the Local Streets Program, which involves direct distribution to jurisdictions. However, the total revenue that flows to each program over the life of the Measure will be as stated in the Expenditure Plan.

No Measure I 2010-2040 program can expect that its delivery will be rescued by revenue from another program. To the extent that a Measure I program is able to deliver projects cost-effectively, more revenue will be available to the program for additional projects of a similar nature. The inverse is also true. Programs unable to effectively manage costs run the risk of minimizing the number of transportation improvements that can be delivered. The expectation that each program will live within its percent share of the total Measure I revenue reinforces a discipline of cost management, with the goal of maximizing the delivery of congestion relief to the voters of San Bernardino County.

The importance of this principle is evidenced in the financial analyses conducted for the 2009 version of the Strategic Plan, which illustrated the gravity of cost and scope impacts on delivery of the entire Measure I program. The cash-flow analyses, in some cases, resulted in a rethinking of project scopes and in other cases resulted in recognition of a need for cost control measures. The Valley Freeway Program is an example of a Measure I program tailored to assure delivery within its means. In that case, project scopes were reduced and alternative financing studies were initiated. These preemptive measures were initiated to counter the impact of the significant escalation in project cost experienced between 2004 and 2006.
The principle of each program living within its means has also helped shape the framework for controlling obligations of funds from the new Measure. Examples include the development of the Valley Freeway Interchange prioritization methodology, which directs funding to the most cost-beneficial interchange improvements first. Additionally, the Valley Major Street Program has instituted an equitable share process. The process guarantees each Valley jurisdiction a set percentage allocation of Major Street funds. The structure of the program ensures that cost overruns incurred by one jurisdiction do not limit the ability of another jurisdiction to deliver its projects. At the same time, the program enables cost conscious jurisdictions to maximize the number of projects delivered by managing project scope and cost.

2. Project scopes should be tailored to create a balanced, cost-effective transportation system

The transportation system functions well when the system is balanced in terms of routes, modes, and traffic flows. Improvements to the transportation system should be designed to reduce overall delay, not merely shift the location of bottlenecks. It is inefficient and even wasteful to build more capacity than necessary in one part of the system and leave other parts of the system highly constrained. This includes consideration of projects under development in adjacent counties. A capacity increase in San Bernardino County may have limited benefit if a nearby bottleneck in an adjacent county is not addressed. Consequently, SBCTA engages neighboring agencies in a regional transportation planning dialogue that seeks to develop and maintain a regionally balanced transportation system.

The Caltrans Highway Design Manual states that “the design standards used for any project should equal or exceed the minimum given in the Manual to the maximum extent feasible, taking into account costs (initial and life-cycle), traffic volumes, traffic and safety benefits, right of way, socio-economic and environmental impacts, maintenance, etc.” Accordingly, multiple factors must be considered to ensure that the public’s tax dollars yield the greatest benefit in operations and safety of our facilities. SBCTA, Caltrans, and local jurisdictions must work closely to invest those dollars in an optimal way. Individual project decisions must therefore consider the overall objectives and financial constraints of the Strategic Plan. The programs contained in this version of the Strategic Plan have anticipated the currently known objectives and financial constraints. However, as financial, physical, and technological conditions evolve, the Strategic Plan will need to address these through Strategic Plan updates and individual project decisions. Options for design exceptions on a project-by-project basis should be discussed. Each decision should be made in light of operational and safety issues as well as balancing project scopes system-wide.

3. Management of cash flow to maximize delivery of shelf ready projects.

Each Measure I program will benefit by delivery of projects as soon as possible, both because the benefits of the project are made available at the earliest time, and because project
delays commonly result in increased project costs. In the Valley Subarea, for example, the fund allocation process (i.e. consisting of needs assessment, budgeting, and allocation) is designed to provide funding to projects that are ready to be delivered within the fiscal year, irrespective of program, with protections for program equity over the life of the Measure. At the same time, the allocation process also identifies project needs in future years, which will allow the Board to make decisions on how to best manage the agency’s cash flow.

Making these provisions operational requires attention to detail on the part of both SBCTA and local jurisdictions so that project delivery is promoted without compromising the integrity of each program and fairness to each member jurisdiction. In addition, SBCTA assistance may be needed to facilitate local jurisdiction project development efforts and the navigation of complex federal, State, and regional regulatory framework to maintain a set of projects that are ready to be delivered. Section III.B.4 discusses the ways in which the project delivery process can be made most efficient and effective.

4. Institutional processes should reinforce disciplined project management within SBCTA, Caltrans, and at the local level.

Cost containment rests on effective project management; however, SBCTA cannot deliver the Measure I program on its own. SBCTA and Caltrans manage Measure I projects that are larger and regional in nature, such as freeway mainline projects, while local jurisdictions may partner with Caltrans to deliver other State highway improvements. SBCTA, Caltrans, and local jurisdictions must maintain a successful partnership on Measure I projects on the State highway system to ensure disciplined project management and accountability for effective project delivery.

While SBCTA’s primary project delivery role is on the State highway system, local jurisdictions are responsible for initiation of arterial roadway, grade separation and freeway interchange projects. Freeway interchanges and railroad grade separation projects, however, can be managed by SBCTA, depending on factors described in Sections IV.B.5 and IV.B.6.

Disciplined management from project development through construction is essential to effective cost containment. SBCTA will monitor and provide advisory assistance to locally managed interchange and grade separation projects, both through participation on Project Development Teams and through inter-agency consultation. Advisory assistance can be provided on project development/environmental decisions, modeling and traffic operational analysis, conceptual design, value analysis, and selection of a preferred alternative. SBCTA can participate on large arterial projects, but only at the invitation of a local jurisdiction.

Finally, SBCTA has implemented a program control system designed to link planning, programming, project delivery, and project expenditures together in one database. EcoSys is a structured database that allows project managers to make informed decisions that can improve project delivery. This program control system also allows effective and consistent communication on project development and funding so that the agency is able to consistently
convey the same message to partner agencies, minimizing any confusion during project and program implementation.

5. SBCTA should pursue legislative initiatives that encourage efficient and effective project delivery.

Much can be done within the authority of existing legislation to facilitate project delivery and thereby contain program costs. In some cases, however, legislation is needed to allow for more effective ways of delivering projects. SBCTA’s advocacy plans identify legislative initiatives that SBCTA believes to be a priority to deliver Measure I projects most effectively, as described in Section III.B.1.a.


One of the overarching principles listed in Section III.A is “utilize debt financing when and where appropriate.” The principal reason for considering borrowing against any of SBCTA’s Measure I revenue streams is to accelerate project delivery. Possible reasons to consider debt financing include:

- Results in earlier implementation of projects, increasing benefit to the public. The public accrues direct benefit through earlier project completion.
- Allows for access to State or federal funding sources that would otherwise be unavailable. For example, the opportunity to compete for Proposition 1B Trade Corridors Improvement Funds (TCIF) became available in FY 2007/2008. However, at the program outset, projects had to be in construction by 2013 to be eligible. The benefit of access to TCIF funds required borrowing against Measure I 2010-2040 to meet this project delivery timeline, but the benefits of access to this additional $239 million in State funds was viewed to be worth the anticipated borrowing costs. Other such opportunities are referenced in the 10-Year Delivery Plan.
- Provides a hedge against project cost increases. Transportation project costs dramatically increased from 2004 through 2006. This impact was mitigated, to an extent, by the cost decreases that occurred during the Great Recession. Should periods of rapid cost escalation occur in the future, accelerating project delivery through borrowing could be a way of limiting the impact of that escalation on SBCTA’s ability to deliver projects. Unfortunately, periods of higher escalation are not readily predictable, and periods of de-escalation also occur. Therefore, there is a risk that the borrowing strategy could represent a greater cost than anticipated. Historically, cost escalation has been at the level of 5% annually. To the extent that interest rates are on par with cost escalation, the costs of borrowing are limited, and the public derives a benefit from delivering the projects earlier.

Borrowing also presents some potential disadvantages:

- Bonding will result in a decrease in the revenue stream available for other projects.
● Bonding comes with a set of overhead costs associated with arranging and managing the issuance of bonds. The magnitude of those costs varies with the size of the bond issue. The costs as a percentage of the bond issue typically declines as the size of the bond issue increases.

● Borrowing can be ineffective and costly if not timed carefully with the project expenditures being supported by the borrowing.

In light of the advantages and disadvantages cited above, borrowing against Measure I 2010-2040 revenue streams shall be guided by the following general principles:

● Clear advantages of borrowing must be demonstrated to the delivery of specific projects if SBCTA is to bond against future Measure I revenue streams. Bond financing may be appropriate:
  o When the scope and timing of the planned expenditures makes pay-as-you-go financing unfeasible (ref. Public Utilities Code 180200)
  o Where an opportunity exists to leverage significant levels of State, federal, or private funding that would otherwise be unavailable if borrowing were not to occur
  o Where seed money is needed to support development or construction of a facility financed with tolls or other fee-based revenue sources.

● Utilize cash-flow borrowing among Measure I programs to limit the need for bonding against Measure I revenues, where possible, while ensuring that each program receives its share of Measure I revenue as specified in the Expenditure Plan.

● Each Measure I program must be able to support debt service for its projects with the revenue stream forecast to be available to that program. The SBCTA Board may allow exceptions to this principle when significant potential benefits exist to the delivery of Measure I projects.

● Bond issues should be pooled across programs, where possible, to limit the overhead costs associated with borrowing. The costs of bond issuance and debt service associated with a pooled bond issue shall be distributed across the Measure I programs proportional to the use of the borrowed funds by each program.

● Borrowing should occur so as to limit the time between bond receipts and the expenditure of bond funds. Strong evidence of project-readiness must be presented for SBCTA to commit Measure I revenue streams to bonding against specific projects.

III.B.4. Strategy 4: Remove Obstacles to Timely Project Development

SBCTA must seek to expedite project delivery both at the program level, to ensure timely use of all fund sources, and at the project level to ensure the agency delivers on transportation project commitments. The program-level approach focuses on the overall transportation benefit to SBCTA, Caltrans, and local jurisdiction partners and their collective ability to maximize state and federal funding opportunity as well as advance local project delivery. The agencies should also focus on strategies that can generate shelf-ready projects.
1. Program-Level Strategies:

- Use non-federal funds during environmental and design phases when possible. Using non-federal funding during these phases minimizes the time impact and the cost associated with participating in the federal aid process. This does not eliminate the need to obtain federal environmental clearance for projects that will use federal funds for construction.

- Limit the use of federal funds to large-scale freeway or interchange projects for which National Environmental Policy Act (NEPA) clearance is already required. Collaborate among jurisdictions in receipt of federal dollars to trade the federal funds with local Measure I funds, when and where possible. Such a strategy can expedite local arterial projects because these can be processed through CEQA and avoid the federal environmental process, saving time and cost.

- Improve the federal project delivery rate to reach 100% prior to May 1 of each year. Such a strategy will cut the risk for SBCTA and its local partners from becoming “donor” agencies under the current obligation authority (OA) policy and allowing the region to deliver shelf-ready projects under the first-come first-served rule. Such a strategy will also eliminate the risk of SBCTA losing annual OA as outlined in AB 1012. Federal funds and State funds usually are apportioned on an annual basis. The current OA policy by Caltrans allows the agencies to borrow/loan OA to other agencies within three years of the Federal STIP. When the agencies have shelf-ready projects by May 1 of the current year, the agency can deliver more than its annual share of OA on a first-come first-served basis. It is SBCTA’s goal to obtain 100% delivery status prior to May of each year to maximize the county’s delivery opportunity.

- Establish short-range programmatic delivery plans for each Measure I program that can manage and track the performance of the programs. Periodic review of the short-range programmatic delivery plans would allow staff and policy makers to review the successes and failures of each program and revise the program accordingly. The goal of the short-range programmatic delivery plans is to maximize the project delivery of each Measure I program.

- A comprehensive program management database has been established by the Project Delivery group using EcoSys project/program management software. This allows project and program managers to have fast access to project data to make informed program-level decisions at any given time. Additionally, the SBCTA Fund Administration Department maintains databases that track funding status for all projects receiving federal, State and Measure I funds.

2 Project-Level Strategies

Project-level strategies should streamline project development and fully implement effective project management concepts to proactively manage each phase and task of a project. Successful project delivery involves a good planning document, a well defined scope, and a project schedule that is supported by major decision makers. Streamlined project delivery usually involves a
strategic collaboration among project team members and the management of project risks by the Project Manager through the Project Development Team.

Strategies for Expediting Project Development:

- Select the most qualified Project Managers for high priority projects.
- Collaborate among major decision makers and involve them in the process as early as possible.
- Utilize MOUs or Project Charters to reach consensus among major project decision makers as early as possible. Such documents should also address project deliverables, schedule, scope, and a dispute resolution process.
- Set strict limits on changing decisions once made.
- Provide assistance to local jurisdiction staff on forms and procedures required as part of the Caltrans project development process.
- Provide pre-submittal reviews by SBCTA staff prior to major local jurisdiction submittals to Caltrans, if requested by the local jurisdiction.
- Whenever possible, perform concurrent process/project review throughout project development.
- Implement “risk design” approach when appropriate.
- Encourage efficient environmental clearance by coordinating with State and federal resource agencies.
- Utilize risk management to minimize potential schedule delays and cost increases where appropriate.
- Increase proactive communication among all agencies involved with the project.
- Develop staff level partnerships among agencies, such as holding periodic partnership meetings with project reviewers to share lessons learned and to increase productivity.
- Apply innovative solutions at all levels that could accelerate project delivery, including contracting innovations when appropriate.

It is a SBCTA goal to facilitate local project delivery, not just SBCTA’s own projects. Expeditious project delivery will put Measure I dollars to work faster and will result in economies that allow Measure dollars to deliver more projects.
IV. Measure I Subarea Programs

Section IV presents the details of the programs for each Measure I 2010-2040 subarea. The programs are discussed in the following order:

- Cajon Pass Expenditure Plan
- Valley Subarea
  - Valley Apportionment, Allocation and Expenditure Process
  - Valley Project Advancement/Advance Expenditure Process
  - Local Street Program
  - Freeway Program
  - Freeway Interchange Program
  - Major Street Program
  - Metrolink/Rail Program
  - Express Bus/Bus Rapid Transit Program
  - Senior and Disabled Transit Program
  - Traffic Management Systems Program
- Victor Valley Subarea
  - Local Street Program
  - Major/Local Highways Program
  - Senior and Disabled Transit Program
  - Project Development and Traffic Management Systems Program
- Rural Mountain/Desert Subareas
  - Local Street Program
  - Major/Local Highways Program
  - Senior and Disabled Transit Program
  - Project Development and Traffic Management Systems Program

The following are presented for each program:

- Program History
- Current Status of the Program
- Beyond the 10-Year Delivery Plan

The discussion of Program History provides an overview of the structure and operation of each program. Part 2 of the Strategic Plan contains detailed policies that represent the specific rules and procedures by which each of the programs operates. The intent of Part 1, Section IV is to provide highlights from the detailed policies and a general understanding of each program. In the event of any conflicts in the language between this section and the Part 2 policies, the policy language shall govern.
One of the recommendations of the 2009 Strategic Plan was the preparation of a 10-Year Delivery Plan to help guide the programs and funding priorities in the near term. The first 10-Year Delivery Plan was approved in 2012, followed by updates in 2014 and 2017. For the sake of consistency, the 2017 Strategic Plan update directly draws from the language in the current 10-Year Delivery Plan for both the Program History and Current Status of the Program. Following these sections, this update anticipates what may be accomplished on Measure I projects in the years beyond the timeline of the 10-Year Delivery Plan, from 2027 to 2040. The discussion of each program begins on a new page to make it easier for the reader to find the starting point for each program.

IV.A. Cajon Pass Expenditure Plan

IV.A.1. History

The Measure I Ordinance approved by the voters in 2004 includes contributions from both the San Bernardino Valley and Victor Valley Subareas to fund an Expenditure Plan for the Cajon Pass. The Cajon Pass Expenditure Plan is funded by 3% of the revenue generated in the Valley and Victor Valley Subareas. The 3% is reserved in advance of other allocations specified in the Measure I Expenditure Plan in an account for funding of highway projects in the Cajon Pass. The Cajon Pass Expenditure Plan is jointly funded by the Valley and Victor Valley Subareas because the Pass serves as the major transportation corridor connecting the two urbanized areas within San Bernardino County. Improvements listed in the original Cajon Pass Expenditure Plan include:

- I-15/I-215 Interchange in Devore
- I-15 widening through Cajon Pass
- I-15 Truck Lane Development.

The total Measure I contribution for these improvements was estimated at $230 million, to be funded with a combination of Measure I, State, and federal funds. The 2009 Strategic Plan analysis found that the projected Measure I revenue would only fund the I-15/I-215 (Devore) interchange project. An alternative funding source would need to be identified for the other improvements in the Cajon Pass.

IV.A.2. Current Status

The Devore interchange was fully funded with a combination of Measure I, State, and federal funds and was open to traffic in June 2016. Other improvements contemplated in the Cajon Pass include express lanes on I-15, but these will need to be funded with an alternative funding source, such as toll revenue bonds. The I-15 Express Lanes are ultimately planned to extend from the Riverside County Line, through the Cajon Pass, to the future High Desert Corridor, but will be constructed in phases. The first phase, from the county line to SR-210 is in the 10-Year Delivery Plan. Subsequent phases are discussed in Section IV.A.3. Truck Lane development has been removed from the plan as express lanes became the preferred alternative for I-15 widening in the Cajon Pass. In the 2016 RTP/SCS the truck lanes extend along SR-60 in Los
Angeles and San Bernardino Counties and on I-15 north of SR-60, but terminate just north of I-10.

**IV.A.3. Beyond the 10-Year Delivery Plan**

After the conclusion of the 10-Year Delivery Plan it is forecast that $88 million in Measure I funds could be available for the Cajon Pass Program from FY 2026/2027 to FY 2039/2040. This will be a fraction of the necessary funds needed for the I-15 improvements from SR-210 to the High Desert Corridor. However, the I-15 Express Lanes project from SR-210 to US-395 is included in the “Baseline Scenario” of the 2015 Countywide Transportation Plan. Inclusion in the Baseline means that SBCTA anticipates the project could be built within the 2040 timeframe with traditionally available revenue sources, albeit with almost complete reliance on toll financing. The segment from US-395 to the High Desert Corridor (in the Victor Valley subarea) is included in the “Aggressive Scenario,” a scenario consistent with the SCAG RTP/SCS, which goes beyond traditionally available revenue sources but is still defined as “reasonably available revenue” in the context of federal planning regulations.

The I-15 Express Lanes project from the county line to US-395 is included in the I-10/I-15 Concept of Operations Report (ConOps Report), dated October 2014. The ConOps report serves as the framework for the design, implementation, and operation of the I-10 and I-15 Express Lanes projects in San Bernardino County. Thus, the framework has been established for operation of I-15 as an express lane project in the Cajon Pass, whenever a funding plan is put in place. This is the only additional improvement anticipated for the Cajon Pass Expenditure Plan within the 2040 horizon year. It is an important project, given it is the only method by which to improve traffic flow through the Pass, representing the main corridor for travel from the San Bernardino Valley to the Victor Valley and north toward Las Vegas. The reconstruction of the I-15/I-215 interchange relieved a major bottleneck, but further improvement will be needed as growth continues in both passenger vehicles and freight on this nationally significant interstate highway. The I-15/I-215 interchange was designed to readily accommodate the extension of the express lanes to the south and north.
Figure IV-1. Cajon Pass Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
<th>Strategic Plan Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I-15/I-215 Interchange in Devore</td>
<td>Complete</td>
</tr>
<tr>
<td>2</td>
<td>I-15 Express Lanes (SR-210 to US-395)</td>
<td>Beyond the Ten-Year Delivery Plan</td>
</tr>
</tbody>
</table>

**IV.B. San Bernardino Valley Programs**

**IV.B.1. Funding and Expenditure Process for San Bernardino Valley Programs and Projects**

**IV.B.1.a. Overview of the Process**

This section provides an overview of the process by which Measure I 2010-2040 programs and projects in the San Bernardino Valley Subarea receive and expend funds, consistent with the Measure I Expenditure Plan. The process varies from program to program, but generally entails four steps, including the identification of needs, budgeting, fund allocation, and fund...
expenditure. Table IV-1 provides an overview of the four-step process, and more specific details are included in Section IV.B.1.b.

**Table IV-1:**
*Valley Subarea Process Overview*

<table>
<thead>
<tr>
<th><strong>Identification of Needs</strong> – Local jurisdictions, SBCTA, and transit agencies provide information on the potential need for Measure I revenue from each of the Valley Programs. The needs may be based on a variety of plans or studies, such as the 10-Year Delivery Plan, Short Range Transit Plans, special studies, or five-year plans required by the Measure I Expenditure Plan. The Federal Transportation Improvement Program (FTIP) managed by the Southern California Association of Governments, in conjunction with County Transportation Commissions such as SBCTA, is an additional vehicle for documenting project needs for certain projects.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budgeting</strong> – The annual SBCTA budget begins development in the fall of each year, with approval at the subsequent June Board of Directors meeting. Budgets are based on the needs anticipated across the programs identified in Step 1.</td>
</tr>
<tr>
<td><strong>Fund Allocation</strong> – Some programs require formal fund allocation to specific projects, while others, such as the Local Streets and Senior and Disabled Programs, are formula-based, with Measure I funds provided to the jurisdictions in advance of project expenditure. Allocations are typically to individual projects and may span multiple budget years. Funding agreements or cooperative agreements are required in cases where allocations are to agencies outside SBCTA.</td>
</tr>
<tr>
<td><strong>Fund Expenditure</strong> – SBCTA, transit agencies, and local jurisdictions expend Measure I 2010-2040 funds on specific projects throughout the following fiscal year. For allocations to agencies outside SBCTA, a reimbursement process is typically followed, whereby documentation of expenditures is provided to SBCTA and payment is made based on those invoices.</td>
</tr>
</tbody>
</table>

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IV.B.1.b. Administration of the Process

All SBCTA departments are involved in the process outlined above. The funding of transportation projects typically involves multiple sources, often mixing Measure I, State, federal, and even local jurisdiction contributions. The Fund Administration and Programming Department oversees the mixing and matching of funds, optimizing and leveraging the use of funds based on the principles outlined in Section III and subject to SBCTA Board approval. The Finance Department ensures that the funds are tracked and expended consistent with the requirements of the Measure I Ordinance and Expenditure Plan, as overseen by the SBCTA
Board and the Independent Taxpayer Oversight Committee. An annual outside audit is conducted to ensure that expenditures occur according to generally accepted accounting principles.

Each individual program requires slightly different approaches to this overall process, and these are covered in the individual program descriptions in Section IV and in the detailed policies in Part 2 of the Strategic Plan.

**IV.B.2. Valley Project Advancement/Advance Expenditure Process**

Both the Project Advancement (PA) and Advance Expenditure (AE) processes provide the ability for local jurisdictions to deliver projects prior to the availability of Measure I 2010-2040 revenue, with provisions for reimbursement for public share costs at a later time. To be eligible, projects must be contained in either the Measure I 2010-2040 Expenditure Plan or the SBCTA Nexus Study. The PA process was designed to bridge the funding gap between passage of Measure I 2010-2040 and the commencement of revenue flow. The process was structured to enable project delivery while limiting the impact on Measure I 2010-2040 in the absence of a Strategic Plan. The AE process differs from the PA process in that the AE process operates concurrent with the flow of Measure I 2010-2040 revenue.

**IV.B.2.a. Project Advancement Process**

Following the passage of Measure I 2010-2040 in November 2004, several member agencies indicated a desire to advance shelf-ready or near-shelf-ready freeway interchange, overcrossing, or arterial projects consistent with the new Expenditure Plan. After considerable deliberation, in December 2005 the SBCTA Board approved a strategy to advance SBCTA Nexus Study interchange, arterial, and grade separation projects to construction with local funds prior to 2010, with provision for reimbursement of the public share of the cost from the applicable Measure I 2010-2040 program at a time to be determined through the Strategic Plan. The Board also limited reimbursement funding to no more than 40 percent of the revenue apportioned to the applicable Measure I program so as to retain some funding for new projects. A model interagency Project Advancement Agreement (PAA) was approved by the Board in April 2006.

Following approval of the model interagency PAA by the SBCTA Board, Valley jurisdictions were permitted to enter into PAAs with SBCTA. By October 2008, the Board of Directors had approved PAAs for three interchanges totaling $29 million, fifteen arterials totaling $56 million, and one grade separation totaling $14 million in the San Bernardino Valley subarea.

SBCTA staff estimates that the PAAs under the Valley Major Street Program will be fully reimbursed by Fiscal Year 2017/2018 and that only a small amount of reimbursement remains for the Valley Freeway Interchange Program, to be paid by Fiscal Year 2019/2020. A description of the PAA process is retained in the Strategic Plan to guide these final expenditures and for the purpose of institutional memory.
The Valley PA process is administered as a reimbursement process. Eligible expenses under the PAA process include any phase of a project included in the Nexus Study. Agencies are reimbursed the public share of the project cost included in the Nexus Study or the public share of the actual project cost, whichever is less. Reimbursement of executed PAAs began the second quarter following the commencement of Measure I 2010-2040 revenue receipts. SBCTA funds reimbursement of PAAs at the maximum 40 percent rate identified in the PAA. The 40 percent reimbursement rate is calculated individually for both the Valley Freeway Interchange Program and the Valley Major Street Program. However, this cap was increased for the Valley Major Streets Program by the SBCTA Board of Directors during periods when local jurisdictions did not require as much funding as anticipated for the arterial portion of that program. This allowed the PAAs to be reimbursed substantially faster than would have been possible otherwise.

PAA repayment disbursements occur quarterly in order of the date of expenditure as documented by consultant and contractor invoices reflecting actual project expenditures. Jurisdictions must submit to SBCTA any reimbursable consultant and contractor invoices, or documentation for in-house work performed by local jurisdiction staff, reflecting actual project expenditures. If jurisdiction in-house staff time is submitted for reimbursement, documentation of hours by individual and salary rate must be provided, with tabulations from the payroll system by project task as backup. Overhead is only allowed via an approved cost allocation plan or an equitable and auditable distribution of overhead among all departments. Only staff time directly contributing to a deliverable of a Nexus Study project is an eligible expenditure. Oversight activities, such as attending PDT meetings and management of consultant or contractor progress and invoicing, are reimbursable only for Valley arterial projects and are limited to up to 2% of the cumulative invoice amount. Expenditures without the proper documentation required by the PAA are not reimbursed by SBCTA.

IV.B.2.b. Advance Expenditure Process

The AE process is established to provide reimbursement to local jurisdictions that are willing to deliver Nexus Study projects with local resources in advance of an allocation of Measure I funds. Local jurisdictions that wish to take advantage of this option may request to be reimbursed for the public share of an advanced project’s cost at such time as Measure I funds are available through the applicable program.

The Valley AE process applies to the Valley Freeway Interchange and the Valley Major Street Programs as detailed below:

- **Valley Freeway Interchange Program**: Public share funding for freeway interchanges is allocated based on the policy framework described in Section IV.B.5 of this Strategic Plan. Jurisdictions that do not receive an allocation of Valley Freeway Interchange funding when they wish to initiate projects may begin development under the AE process subject to SBCTA Board approval. Sponsoring agencies that wish to utilize the AE process for an interchange project must execute an Advance Expenditure Agreement (AEA) with SBCTA prior to the expenditure of funds to be reimbursed pursuant to this AE process. Any funds
expended by a local jurisdiction on a project prior to the execution of the AEA are not eligible for reimbursement.

The AEA establishes agency roles, responsibilities and financial commitments. One agreement is executed between SBCTA and the sponsoring agency for the entire interchange project. The agreement contains the scope of work, development mitigation commitment and public share of the cost to be reimbursed by SBCTA. As the sponsoring agency begins each subsequent phase of a project, the agreement is amended to update the project scope, development mitigation commitments, and public share of the cost to be reimbursed by SBCTA.

As part of the AEA, the sponsoring agency is required to provide a copy of a fully executed Development Mitigation Cooperative Agreement or comparable indication of commitment to the development share for the lead agency and, if applicable, the minority share agency(ies). The Development Mitigation Cooperative Agreement is an agreement between the sponsoring agency and minority share agency(ies), where applicable, to provide the requisite development mitigation funding to the project as outlined in the Nexus Study. Both the City Council/Board of Supervisors of the sponsoring agency and SBCTA must approve the AEA and each subsequent amendment to the project information attachment contained in the agreement.

SBCTA begins reimbursement for phases of a project in the first year that Valley Freeway Interchange Program funding becomes available to the project based on its ranking on the interchange prioritization list (see Section IV.B.5). In general, reimbursement of advance expenditures is completed prior to allocations being made to the construction phase of projects of lower priority. This is balanced with the need to maintain commitments to other interchange projects on which project development activity has been initiated. Reimbursement of advance expenditures is considered in the annual budgeting process by the SBCTA Board so that jurisdictions have an estimate of the reimbursement available for their own budgeting purposes for the coming fiscal year. Finally, the reimbursement for advance expenditures is determined based on the prioritization list in effect at the time the AEA was executed. Therefore, subsequent changes in the Interchange Prioritization List will not affect the time of reimbursement once the AEA has been executed for the project.

When reimbursement is initiated, jurisdictions must submit to SBCTA any reimbursable consultant and contractor invoices, or documentation for in-house work performed by local jurisdiction staff, reflecting actual project expenditures. If jurisdiction in-house staff time is submitted for reimbursement, documentation of hours by individual and salary rate must be provided, with tabulations from the payroll system by project task as backup. Overhead will only be allowed via an approved cost allocation plan or an equitable and auditable distribution of overhead among all departments. Only staff time directly contributing to a deliverable of a Nexus Study project is an eligible expenditure. Oversight activities, such as attending PDT meetings and management of consultant or contractor progress and invoicing, are reimbursable only for Valley arterial projects and only up to 2% of the cumulative
Measure I 2010-2040 Strategic Plan, Revised 2017

invoice amount. Expenditures without the proper documentation required by the AEA are not reimbursed by SBCTA.

- **Valley Major Street AE Process:**
  - **Valley Major Street Arterial Sub-program:** Each year, local jurisdictions have access to an equitable share of Valley Major Street Arterial Sub-program funding as described in Section IV.B.6 of this Strategic Plan. The allocated funding, as well as the list of eligible projects, is documented in the Funding Allocation and Project List approved annually by SBCTA. Local jurisdictions are eligible for reimbursement up to the amount of equitable share revenue available in that year, plus any advancement of future equitable share funding approved by the SBCTA Board. The AE process provides for reimbursement of costs incurred by local jurisdictions that choose to complete delivery of projects that cost more than the equitable share revenue available in that year. Jurisdictions that expend resources under the AE process are eligible to invoice SBCTA for the incurred expenditures as new allocations of funding become available in future years. Projects completed in full or in part under the AE process must be included in the annual Capital Project Needs Analysis (CPNA). All of the terms pertaining to the AE process for the Major Street Arterial Sub-program are included in the Jurisdiction Master Agreement executed between the sponsoring agency and SBCTA.

  - **Valley Railroad/Highway Grade Separation Sub-Program:** Public share funding for railroad/highway grade separations is allocated based on the policy framework described in Section IV.B.6 of this Strategic Plan. Jurisdictions that do not receive Valley Railroad/Highway Grade Separation Program funding when they wish to initiate projects may begin development under the AE process subject to SBCTA Board approval. Sponsoring agencies that wish to utilize the AE process for a railroad/highway grade separation project must execute an AEA with SBCTA prior to the expenditure of funds to be reimbursed pursuant to this AE process. Any funds expended by a local jurisdiction on a project prior to the execution of the AEA will not be eligible for reimbursement.

The AEA establishes agency roles, responsibilities and financial commitments. One agreement will be executed between SBCTA and the sponsoring agency for the entire project. The agreement contains an attachment that provides the scope of work, development mitigation commitment, and public share of the cost to be reimbursed by SBCTA. As the sponsoring agency begins each subsequent phase of a project, the agreement will be amended to update the project scope, development mitigation commitments and public share of the cost to be reimbursed by SBCTA. Both the City Council/Board of Supervisors of the sponsoring agency and SBCTA must approve the AEA and each subsequent amendment to the project information attachment contained in the agreement.
As noted above, local jurisdictions may request to be reimbursed under the AE process. SBCTA will begin reimbursement for phases of a project in the first year that Valley Grade Separation Sub-program funding becomes available to the project based on its ranking on a Grade Separation Prioritization list, if available, or based on the sequence in which the AEAs were executed. In general, reimbursement of advance expenditures will be completed prior to allocations being made to the construction phase of projects of lower priority. This balances the need to maintain commitments to other grade separation projects on which project development activity has been initiated and for reimbursement of AEAs. Reimbursement of advance expenditures will be considered in the annual budgeting process by the SBCTA Board so that jurisdictions will have an estimate of the reimbursement available for their own budgeting purposes for the coming fiscal year. Finally, the reimbursement for advance expenditures will be determined based on the prioritization list in effect at the time the AEA was executed. Therefore, subsequent changes in the Grade Separation Prioritization List will not affect the time of reimbursement or availability of credit once the AEA has been executed for the project.

When reimbursement is initiated, jurisdictions must submit to SBCTA any reimbursable consultant and contractor invoices, or documentation for in-house work performed by local jurisdiction staff, reflecting actual project expenditures. If jurisdiction in-house staff time is submitted for reimbursement, documentation of hours by individual and salary rate must be provided, with tabulations from the payroll system by project task as backup. Overhead will only be allowed via an approved cost allocation plan or an equitable and auditable distributions of overhead among all departments. Only staff time directly contributing to a deliverable of a Nexus Study project is an eligible expenditure. Oversight activities, such as attending PDT meetings and management of consultant or contractor progress and invoicing, are reimbursable only for Valley arterial projects and only up to 2% of the cumulative invoice amount. Expenditures without the proper documentation required by the AEA are not reimbursed by SBCTA.

**IV.B.3. Valley Local Streets Program**

**IV.B.3.a. History**

The Valley Local Streets Program is funded by 20% of the total Valley Measure I 2010-2040 revenue collected in the San Bernardino Valley Subarea. This program will be used by local jurisdictions to fund eligible Local Street Projects.

The Measure I Expenditure Plan estimated $904 million of Measure I revenue would be available for local street repair and improvements, in 2004 dollars. Funds under this Program are distributed to cities and the County on a per capita basis. The Strategic Plan establishes policies for eligible expenditures, the adoption and development of the local jurisdiction’s Five-Year
Local Streets Program funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, freeway interchanges, and other improvements/programs to maximize the use of transportation facilities. For example, local streets funding can be used for the widening of streets, installation of traffic signals, road maintenance efforts, median landscaping, sidewalk installations, storm drain facilities, and upgrades to Americans with Disabilities Act (ADA) standards.

**IV.B.3.b. Current Status**

In accordance with the Expenditure Plan and Strategic Plan, the Measure I funds apportioned to Valley Local Streets were included in the 10-Year Delivery Plan with the funds passed through monthly to the local jurisdictions. No individual projects were included in the Plan. The current estimate for the program over the next ten years is $301 million in escalated dollars.

**IV.B.3.c. Beyond the 10-Year Delivery Plan**

The Valley Local Streets program does not maintain planning beyond five years, consistent with the requirements of the five-year plans required of each jurisdiction. It is forecast that $641 million could be available to this program between Fiscal Year 2026/2027 and Fiscal Year 2039/2040.

**IV.B.4. Valley Freeway Program**

**IV.B.4.a. History**

The Measure I Expenditure Plan included improvements for six San Bernardino Valley freeway corridors. The total cost for these improvements was estimated at $1.44 billion, to be funded from a combination of Measure I, State, and federal funds. The six projects originally proposed were:

- I-10 Widening from I-15 to Riverside County Line
- I-15 Widening from Riverside County Line to I-215
- I-215 Widening from Riverside County Line to I-10
- I-215 Widening from SR 210 (formerly SR 30) to I-15
- SR 210 Widening from I-215 to I-10
- Carpool Lane Connectors

During the preparation of the 2009 Strategic Plan, it was determined that the projected revenue for the Freeway Program over the life of the Measure would not be adequate to fund all the
improvements included in the Expenditure Plan without additional sources of revenue.

To arrive at a financially balanced plan, an alternative funding source was assumed and it was also recognized that a larger share of the State and federal funds would need to be assigned to the Valley Freeway Program. Subsequently, an analysis was conducted of State and federal funds for Valley programs. A set of policies was also developed to provide direction for allocation of State and federal funds for Valley programs. These policies are documented in Policy 40001 (VS-21 through VS-29) in Part 2 of the Strategic Plan and are generally consistent with the way in which State and federal funds historically have been treated in the Valley. Additionally, the scope of some of the corridor improvements was reduced. The I-10 widening from I-15 to the Riverside County Line scope was defined as a combination of HOV lanes west of Ford Street in the City of Redlands and an eastbound truck climbing lane east of Live Oak Canyon Road in the City of Yucaipa. The I-15 widening was contemplated as an HOV/express toll lane, rather than HOV only. The SR 210 Widening from I-215 to I-10 was reduced to adding an additional lane in each direction only for the segment from Highland Avenue in San Bernardino to I-10. Lastly, the Carpool Lane Connectors were not included in the Plan, given the extraordinarily high cost. The Strategic Plan included a bonding strategy to accelerate the completion of the freeway improvements. The following Freeway Program improvements, at an estimated total cost of $2.79 billion, were included in the Strategic Plan:

I-10 Widening

- Add one HOV lane in each direction from Haven Avenue in the City of Ontario to Ford Street in the City of Redlands.
- Add an eastbound truck climbing lane from Live Oak Canyon Road to Riverside County line.

I-15 Widening from Riverside County Line to I-215

- Add two express lanes in each direction. Assumed 75% of project costs will be funded with toll revenue.

I-215 Widening from Riverside County Line to I-10

- Add one HOV lane in each direction. The ultimate project, which adds an additional mixed-flow lane, could potentially commence project development near the end of the Measure.
- Reconstruct I-215 and Barton Road interchange.
- Reconstruct I-215 and Washington Street interchange.

I-215 Widening from SR 210 to I-15

- Add one lane in each direction.
SR 210 Widening

- Add one lane in each direction from Highland Avenue in the City of San Bernardino to I-10.

Currently, there is one completed project from the Valley Freeway Program:
- I-215 Widening from Riverside County Line to I-10 – add one HOV lane in each direction

IV.B.4.c. Current Status

The development of the Freeway Program resulted in some unique features in the initial 10-Year Delivery Plans, as two alternatives for the I-10 and I-15 corridors were evaluated. The first alternative included the addition of an HOV lane in each direction on I-10 from Haven Avenue to Ford Street with no improvements on I-15, as was identified in the 2009 Strategic Plan. The second alternative included the addition of one or two express lanes on I-10 from the Los Angeles County line to Ford Street and on I-15 from SR 60 to the Devore Interchange.

Since the adoption of the 2014 Update to the 10-Year Delivery Plan, the SBCTA Board has selected the express lanes alternative as the locally preferred alternative for the I-10 Corridor, and final environmental approval was obtained in July, 2017. SBCTA is currently in the process of obtaining loan authorization under the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program.

Additionally, in July 2014 the Board suspended the I-215 Mount Vernon Avenue/Washington Street Interchange Project until such time as the reconstruction of the interchange is needed to accommodate the ultimate I-215 widening or until an alternative funding source is identified. When the project was suspended, Caltrans initiated a project to correct a vertical clearance issue on the Mount Vernon/Washington Bridge over I-215 and to provide sufficient width to span the ultimate I-215 freeway configuration. SBCTA staff independently analyzed the interchange for local operational improvements that could be coordinated along with the Caltrans project, which were ultimately included in the Caltrans project.

In response to the freight program included in the Fixing America’s Surface Transportation (FAST) Act, SBCTA, Orange County Transportation Authority, and Los Angeles County Metro jointly submitted a grant application that included three freight-related projects, including the I-10 Express Lanes Contract 1, between the LA County Line and I-15. In addition, the I-10 truck climbing lane project is a viable project for such funds and, for this reason, the 10-Year Delivery Plan includes project development for this project.

The current revenue estimate for the freeway program over the next ten years is $437 million. Consistent with the Strategic Plan principles, bonding is used to accelerate the projects. Freeway projects included in the 10-Year Delivery Plan and the overall cost and revenue
requirements for the Freeway Program are shown in Table 4.2.1 of the 10-Year Delivery Plan. Project details are presented in Section 4.2.3 of the Delivery Plan and do not need to be repeated here.

**IV.B.4.b. Beyond the 10-Year Delivery Plan**

Beyond the scope of the 10-Year Delivery Plan there remain only two projects (the I-215 widening from SR-210 to I-15 and the continuation of the proposed express lanes on I-15 from SR 210 to the Devore Interchange) to complete the commitments in the Measure I Expenditure Plan as contemplated in the 2009 Strategic Plan. These projects were not ready for inclusion in the 10-Year Delivery Plan as they were prioritized lower than the other projects in the Valley Freeway Program. The Valley Freeway Program is estimated to have $280 million in available funds from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. These funds could be used to fund a portion of the remaining projects. Figure IV-2 shows the location of the freeway segments being implemented either within the timeframe of the 10-Year Delivery Plan or beyond the Plan.
Figure IV-2. Valley Subarea Freeway Program Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
<th>Strategic Plan Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I-10 HOV Gap Closure</td>
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</tr>
<tr>
<td>2</td>
<td>I-215/Barton Rd</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>3</td>
<td>I-215 Mount Vernon/Washington</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>4</td>
<td>I-10 Express Lanes – Contract 1</td>
<td>Ten Year Delivery Plan</td>
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<td>I-10 Express Lanes – Contract 2</td>
<td>Ten Year Delivery Plan</td>
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<tr>
<td>6</td>
<td>I-15 Express Lanes (Riverside County to SR-210)</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>7</td>
<td>I-10 EB Truck Climbing Lane</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>8</td>
<td>SR-210 Widening (Highland Ave to San Bernardino Ave)</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>9</td>
<td>I-15 Express Lanes (SR-210 to I-215)</td>
<td>Beyond the Ten Year Delivery Plan</td>
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<td>10</td>
<td>I-215 Widening (SR-210 to I-15)</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
</tbody>
</table>
IV.B.5. Valley Freeway Interchange Program

IV.B.5.a. History

The Valley Freeway Interchange Program is funded by 11% of the Measure I 2010-2040 Valley revenue, contributions from new development, and other State and federal revenues as indicated by the Valley Expenditure Plan. The interchange projects that comprise the Valley Freeway Interchange program were identified through collaboration between local jurisdiction staff and SBCTA staff.

The Measure I Expenditure Plan included, but was not limited to, improvements for 31 freeway interchanges along I-10, I-15, SR 60, I-215, and SR 210. The total cost for these improvements was estimated at $862 million in 2004 dollars. Funding consisted of a combination of Measure I, development fees, and State and federal funds. Through the local jurisdiction outreach for the Development Mitigation Nexus Study and the Strategic Plan, the interchange project list was further defined to include 38 interchanges.

The Expenditure Plan requires that new development pay its fair share of interchange projects. The fair share for each interchange project was established by the Nexus Study adopted by the SBCTA Board in 2005, now updated through 2016.

Forty percent of the Measure I Valley Freeway Interchange Program revenue was allocated toward the reimbursement to jurisdictions that entered into Project Advancement Agreement (PAA) commitments for the advancement of three interchange projects until the PAA obligation was fulfilled. The three interchanges are I-10/Live Oak, I-10/Riverside, and I-10/Pepper (Phase 1). The total PAA commitment was $17.5 million, although cost savings resulted in a total commitment of $14.3 million.

The 2009 Strategic Plan identified that bonding was only required to meet the Measure I obligation for the I-10/Cherry, I-10/Citrus, and I-10/Riverside Interchange projects, which were partially funded with Proposition 1B TCIF. The remaining interchanges were to be developed on a pay-as-you-go basis. However, more recently the SBCTA Board has been supportive of plans to advance delivery of the top interchanges, which requires bonding.

Currently, there are seven completed projects from the Valley Freeway Interchange Program:

- I-10/Tippecanoe Ave
- I-10/Cherry Ave
- I-10/Citrus Ave
- I-10/Riverside Ave, Phase 1
- I-10/Live Oak Canyon
- I-15/Duncan Canyon Rd (In Plan, but funded with public funds other than Measure I)
- I-10/Pepper, Phases 1 and 2
IV.B.5.b. Current Status

Consistent with Board direction, project development has commenced on the ten highest priority interchanges, and public share funding will be available through construction. Additionally, the Board approved an exception to policy to allow the lower-ranked I-10/Pepper Interchange to proceed with the majority of funding coming from a federal earmark. In addition to the top ten interchanges, several Tier 2 interchanges (priorities 11-20) were added to the 2017 10-Year Delivery Plan as a result of the on-going development of the I-10 Express Lanes Contract 1 project, which will provide improvements to the I-10/Euclid and I-10/Vineyard Interchanges. The Board has approved advance expenditure agreements (AEA) with the City of Ontario for the SR 60/Euclid Interchange, the City of Rancho Cucamonga for the I-15/Base Line Interchange, and the County of San Bernardino for the I-15/Sierra Interchange, which allowed the projects to proceed using local funds with a guarantee of future Measure I reimbursement prior to beginning construction on a lower ranked interchange. Because the I-10/Vineyard Interchange is ranked lower than these interchanges, reimbursement of these AEAs is scheduled with commencement of construction of the Vineyard Interchange.

The current Measure I freeway interchange revenue commitment for the next ten years is $166 million. Freeway interchange projects included in the 10-Year Delivery Plan and the cost and revenue requirements for the San Bernardino Valley Freeway Interchange Program are shown in Table IV-2.

Table IV-2. Valley Subarea Freeway Interchange Program Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Cost (1,000s)</th>
<th>Measure I $ (1000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-10/Cedar Ave IC</td>
<td>$71,947</td>
<td>$50,928</td>
</tr>
<tr>
<td>SR 210/Base Line IC</td>
<td>$26,198</td>
<td>$15,221</td>
</tr>
<tr>
<td>SR 60/Central Ave IC</td>
<td>$21,496</td>
<td>$8,856</td>
</tr>
<tr>
<td>I-10/University St IC</td>
<td>$5,420</td>
<td>$4,373</td>
</tr>
<tr>
<td>I-215/University Pkwy IC</td>
<td>$6,173</td>
<td>$1,023</td>
</tr>
<tr>
<td>I-10/Alabama St IC</td>
<td>$10,982</td>
<td>$4,895</td>
</tr>
<tr>
<td>I-15/Base Line Rd IC AEA</td>
<td>$48,974</td>
<td>$20,853</td>
</tr>
<tr>
<td>I-10/Mount Vernon Ave IC</td>
<td>$38,491</td>
<td>$36,528</td>
</tr>
<tr>
<td>SR 60/Archibald Ave IC</td>
<td>$12,745</td>
<td>$4,240</td>
</tr>
<tr>
<td>I-10/Monte Vista Ave IC</td>
<td>$36,729</td>
<td>$27,877</td>
</tr>
<tr>
<td>I-10/Pepper Ave IC</td>
<td>$9,513</td>
<td>$719</td>
</tr>
<tr>
<td>I-10/Riverside Ave IC, Phase 2</td>
<td>$41,525</td>
<td>$2,815</td>
</tr>
<tr>
<td>SR 60/Euclid Ave IC AEA</td>
<td>$1,000</td>
<td>$278</td>
</tr>
<tr>
<td>I-10/Euclid Ave IC</td>
<td>$8,974</td>
<td>$7,413</td>
</tr>
<tr>
<td>I-15/Sierra Ave IC AEA</td>
<td>$2,750</td>
<td>$393</td>
</tr>
<tr>
<td>I-10/Vineyard Ave IC</td>
<td>$3,063</td>
<td>$1,225</td>
</tr>
</tbody>
</table>
More recently, the Board directed staff to re-examine the Valley interchange priority list and evaluate lower-cost phased improvements to stretch resources to a greater number of interchanges. Consequently, the 2017 10-Year Delivery Plan Update also includes $35 million (in 2017 dollars) for interchange phasing improvements, which when escalated to year of expenditure is approximately $40 million. A list of interchanges for potential phased implementation has been approved by the SBCTA Board of Directors. These include:

- SR 60/Mountain Ave
- SR 60/Grove Ave
- SR 60/Ramona Ave
- SR 60/Euclid Ave
- SR 60/Vineyard Ave
- I-10/Euclid Ave
- I-10/Mountain View Ave
- I-10/California Ave
- I-10/Wildwood Ave
- SR 210/Del Rosa Ave
- SR 210/Waterman
- SR 210/5th St
- I-215/Palm Ave

Together with the other completed or committed projects, this means that as many as 32 Valley interchanges could be improved under Measure I 2010-2040 by 2026, if all the funding opportunities are taken advantage of. In developing the interchange project schedules, it was assumed that the local agency would pay its fair share of the project costs. If the local agency cannot commit its fair share when project development of the interchange project is scheduled, project development will commence on the next highest priority project on which the local agency can commit its fair share. Assurance of the availability of local share funding for capital phases will be considered before future bond issuances.

**IV.B.5.c. Beyond the 10-Year Delivery Plan**

It is estimated that $202 million of Measure I interchange funding will be available from Fiscal Year 2026/2027 through Fiscal Year 2039/2040. It is expected that, although 32 interchanges could benefit from this program, there is not enough Measure I revenue for a full buildout of the interchange program. Nevertheless, SBCTA will be aggressive in seeking State and federal sources to supplement Measure I and local development shares. This would include funding for additional buildout of phased interchanges as well as six other new interchange projects that have been lower on the priority list due largely to their cost. These projects include:

- I-15/6th-Arrow
- I-10/4th-Grove Ave
- I-10/Alder Ave
• I-10/Beech Ave
• I-10/Wabash Ave
• I-215/Campus Pkwy (Formerly Pepper-Linden Ave)

A graphic of Valley interchange locations is provided in Figure IV-3, showing the projects completed, listed in the 10-Year Delivery Plan, and beyond the Plan timeline. It should be noted that many of the phased improvements (see Figure IV-4) are expected to be completed within the timeframe of the 10-Year Delivery Plan even though full buildout of those interchanges would not occur until after the timeframe of the 10-Year Delivery Plan.

**IV.B.5.d. Interchange Funding Allocations and Priorities**

The 38 interchanges included in the Valley Freeway Interchange program are subject to the requirements of the SBCTA Development Mitigation Program included in Chapter 4, Appendix G and Appendix F of the San Bernardino County Congestion Management Program (CMP) initially adopted by the SBCTA Board November 2, 2005 and updated every two years thereafter. Pursuant to the SBCTA Development Mitigation Program, interchange funding contains both a public share and minimum private development share. For some interchanges, the development share is split among two or more jurisdictions according to the methodology in the Nexus Study. It is anticipated that Measure I, State, and federal funds will fund the public share of the Valley Freeway Interchange program.

The Valley Freeway Interchange program projects are managed by either local jurisdictions or SBCTA, with SBCTA administering the public funding for the program. SBCTA may manage project development and delivery of these projects under conditions specified in Policy 40005.

SBCTA’s allocation of Measure I dollars to the Valley Interchange program occurs along with the budgeting process each year (see Policy 40001). Allocations of funding by SBCTA to initial phases of a project also represent a commitment to timely funding of subsequent project phases, barring a determination by the Board of Directors that exceptional circumstances warrant otherwise.

Table IV-3 provides the prioritized list of interchanges with the estimated cost, fair share percentages, and interchange ranking. The interchange costs have been modified through Nexus Study updates, but the interchange priorities have not been modified as of this 2017 update.
Table IV-3.
Prioritized Interchanges in the Valley Interchange Program
(Note: Costs from 10-Year Delivery Plan, Where Available. Otherwise from 2016 Update of the Nexus Study)

<table>
<thead>
<tr>
<th>Freeway Interchange</th>
<th>Cost ($Mil)</th>
<th>Fair Share %</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-10/Cedar</td>
<td>$ 71.9</td>
<td>30.0%</td>
<td>1</td>
</tr>
<tr>
<td>SR-210/Baseline</td>
<td>$ 26.2</td>
<td>41.9%</td>
<td>2</td>
</tr>
<tr>
<td>SR-60/Central</td>
<td>$ 21.5</td>
<td>58.8%</td>
<td>3</td>
</tr>
<tr>
<td>I-10/University</td>
<td>$ 5.4</td>
<td>17.9%</td>
<td>4</td>
</tr>
<tr>
<td>I-215/University</td>
<td>$ 6.1</td>
<td>44.1%</td>
<td>5</td>
</tr>
<tr>
<td>I-10/Alabama</td>
<td>$ 11.0</td>
<td>50.5%</td>
<td>6</td>
</tr>
<tr>
<td>I-15/Baseline</td>
<td>$ 49.0</td>
<td>50.0%</td>
<td>7</td>
</tr>
<tr>
<td>I-10/Mt. Vernon</td>
<td>$ 38.5</td>
<td>5.1%</td>
<td>8</td>
</tr>
<tr>
<td>SR-60/Archibald</td>
<td>$ 12.7</td>
<td>66.1%</td>
<td>9</td>
</tr>
<tr>
<td>I-10/Monte Vista</td>
<td>$ 36.7</td>
<td>21.4%</td>
<td>10</td>
</tr>
<tr>
<td>SR-60/Grove</td>
<td>$ 51.0</td>
<td>48.3%</td>
<td>11</td>
</tr>
<tr>
<td>SR-60/Euclid</td>
<td>$ 12.0</td>
<td>44.5%</td>
<td>12</td>
</tr>
<tr>
<td>I-10/Euclid</td>
<td>$ 9.0</td>
<td>17.4%</td>
<td>13</td>
</tr>
<tr>
<td>SR-60/Mountain</td>
<td>$ 15.0</td>
<td>46.2%</td>
<td>14</td>
</tr>
<tr>
<td>SR-60/Ramona</td>
<td>$ 30.0</td>
<td>31.3%</td>
<td>15</td>
</tr>
<tr>
<td>I-15/Sierra</td>
<td>$ 13.0</td>
<td>80.3%</td>
<td>16</td>
</tr>
<tr>
<td>SR-210/Waterman</td>
<td>$ 53.8</td>
<td>18.2%</td>
<td>17</td>
</tr>
<tr>
<td>I-10/Mountain View</td>
<td>$ 24.5</td>
<td>37.8%</td>
<td>18</td>
</tr>
<tr>
<td>I-10/Pepper (Phase 2)</td>
<td>$ 17.8</td>
<td>34.0%</td>
<td>19</td>
</tr>
<tr>
<td>SR-210/Del Rosa</td>
<td>$ 38.0</td>
<td>32.8%</td>
<td>20</td>
</tr>
<tr>
<td>SR-210/5</td>
<td>$ 8.0</td>
<td>41.9%</td>
<td>21</td>
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<tr>
<td>I-10/Vineyard</td>
<td>$ 84.0</td>
<td>60.0%</td>
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<tr>
<td>I-15/6th-Arrow</td>
<td>$ 91.3</td>
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<tr>
<td>SR-60/Vineyard</td>
<td>$ 51.0</td>
<td>60.3%</td>
<td>24</td>
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<tr>
<td>I-10/4th/Grove</td>
<td>$ 128.0</td>
<td>17.1%</td>
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</tr>
<tr>
<td>I-215/Palm</td>
<td>$ 11.6</td>
<td>15.8%</td>
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<tr>
<td>I-10/California</td>
<td>$ 45.0</td>
<td>47.8%</td>
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<tr>
<td>I-10/Alder</td>
<td>$ 99.0</td>
<td>50.0%</td>
<td>28</td>
</tr>
<tr>
<td>I-10/Wildwood</td>
<td>$ 35.0</td>
<td>50.0%</td>
<td>29</td>
</tr>
<tr>
<td>I-215/Pepper-Linden</td>
<td>$ 60.9</td>
<td>50.0%</td>
<td>30</td>
</tr>
<tr>
<td>I-15/Duncan Cyn.</td>
<td>$ 35.8</td>
<td>77.3%</td>
<td>32</td>
</tr>
<tr>
<td>I-10/Beech</td>
<td>$114.0</td>
<td>50.0%</td>
<td>31</td>
</tr>
<tr>
<td>I-10/Wabash</td>
<td>$ 40.0</td>
<td>35.8%</td>
<td>33</td>
</tr>
</tbody>
</table>
### Map Legend

<table>
<thead>
<tr>
<th>Complete</th>
<th>Ten Year Delivery Plan</th>
<th>Beyond the Ten Year Delivery Plan</th>
</tr>
</thead>
</table>

### Figure IV-3. Valley Subarea Freeway Interchange Program Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
<th>Strategic Plan Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I-10/Cedar Ave Interchange</td>
<td>Ten-Year Delivery Plan</td>
</tr>
<tr>
<td>2</td>
<td>SR-210/Baseline Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>3</td>
<td>SR-60/Central Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>4</td>
<td>I-10/University St Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>5</td>
<td>I-215/University Pkwy Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>6</td>
<td>I-10/Alabama St Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>7</td>
<td>I-15/Baseline Rd Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>8</td>
<td>I-10/Mt Vernon Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>9</td>
<td>SR-60/Archibald Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>10</td>
<td>I-10/Monte Vista Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>11</td>
<td>I-10/Pepper Ave Interchange</td>
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</tr>
<tr>
<td>12</td>
<td>I-10/Riverside Ave Interchange Phase 1&amp;2</td>
<td>Complete/Ten Year Delivery Plan</td>
</tr>
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<td>13</td>
<td>SR-60/Euclid Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
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<tr>
<td>15</td>
<td>I-15/Sierra Ave Interchange AEA</td>
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<td>16</td>
<td>I-10/Vineyard Ave Interchange</td>
<td>Ten Year Delivery Plan</td>
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<tr>
<td>17</td>
<td>SR-60/Grove Ave Interchange</td>
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<tr>
<td>18</td>
<td>SR-60/Mountain Ave Interchange</td>
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<tr>
<td>19</td>
<td>SR-60/Ramona Ave Interchange</td>
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</tr>
<tr>
<td>20</td>
<td>SR-210/Waterman Ave Interchange</td>
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</tr>
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<td>21</td>
<td>I-10/Mountain View Ave Interchange</td>
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</tr>
<tr>
<td>22</td>
<td>SR-210/Del Rosa Ave Interchange</td>
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<td>SR-210/5th St Interchange</td>
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<td>I-15/6th/Arrow Hwy Interchange</td>
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<tr>
<td>25</td>
<td>SR-60/Vineyard Ave Interchange</td>
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</tr>
<tr>
<td>26</td>
<td>I-10/4th/Grove Interchange</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>27</td>
<td>I-215/Palm Ave Interchange</td>
<td>Beyond the Ten Year Delivery Plan</td>
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<td>28</td>
<td>I-10/California Ave Interchange</td>
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</tr>
<tr>
<td>29</td>
<td>I-10/Alder Ave Interchange</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>30</td>
<td>I-10/Wildwood Ave Interchange</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>31</td>
<td>I-215/Campus Pkwy Interchange</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>32</td>
<td>I-15/Duncan Canyon Rd Interchange</td>
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<td>I-10/Beech Ave Interchange</td>
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<td>I-10/Wabash Ave Interchange</td>
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<td>35</td>
<td>I-10/Tippecanoe Ave Interchange</td>
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</tr>
<tr>
<td>36</td>
<td>I-10/Live Oak Canyon Interchange</td>
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</tr>
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<td>37</td>
<td>I-10/Cherry Ave Interchange</td>
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</tr>
<tr>
<td>38</td>
<td>I-10/Citrus Ave Interchange</td>
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</table>
IV-23

Map Legend

<table>
<thead>
<tr>
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Figure IV-4. Valley Subarea Freeway Interchange Program, Potential Phased Improvements

<table>
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<tr>
<th>#</th>
<th>Project Name</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>I-10/Euclid Ave Interchange</td>
</tr>
<tr>
<td>2</td>
<td>I-10/California Ave Interchange</td>
</tr>
<tr>
<td>3</td>
<td>I-10/Mountain View Ave Interchange</td>
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<td>I-215/Palm Ave Interchange</td>
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<td>5</td>
<td>SR-210/5th St Interchange</td>
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<td>6</td>
<td>SR-210/Del Rosa Ave Interchange</td>
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<td>7</td>
<td>SR-210/Waterman Ave Interchange</td>
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<td>8</td>
<td>SR-60/Grove Ave Interchange</td>
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<td>9</td>
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</tr>
<tr>
<td>10</td>
<td>SR-60/Ramona Ave Interchange</td>
</tr>
<tr>
<td>11</td>
<td>SR-60/Vineyard Ave Interchange</td>
</tr>
<tr>
<td>12</td>
<td>SR-60/Euclid Ave Interchange</td>
</tr>
<tr>
<td>13</td>
<td>I-10/Wildwood Ave Interchange</td>
</tr>
</tbody>
</table>
IV.B.6 Valley Major Street Program

IV.B.6.a. History

The Measure I Expenditure Plan defines Major Street Program projects as improvements to major streets that connect communities, serve major destinations, and provide freeway access. The total cost for the anticipated major street improvements in the Measure I Expenditure Plan was estimated at $1.34 billion in 2004 dollars, which would be funded from a combination of Measure I, development fees, and State and federal funds. Projects eligible to receive funding allocations must be included in the current adopted SBCTA Development Mitigation Nexus Study, and the local jurisdiction must have the project included in their development mitigation program.

The Major Street program revenue is expended pursuant to a five-year project list annually adopted by the SBCTA Board after being made available for public review and comment, and takes into account equitable geographic distribution over the life of the Measure. The Valley Major Street Program is initially funded at 20% of the total Valley Measure I revenue. Effective ten years following initial collection of revenue, the Major Street Projects allocation shall be reduced to no more than 17% but to not less than 12% upon approval by the SBCTA Board. The Express Bus/Bus Rapid Transit Service allocation shall be increased by a like amount. For purposes of revenue estimation in the Strategic Plan, it has been assumed that the Valley Major Street Program allocation would be reduced to 17%. This would result in approximately 18% of the Valley revenue being allocated to the Major Street program over the life of the Measure. The program also anticipates contributions from new development, as well as limited State and federal revenues as indicated by the Valley Expenditure Plan. While the Measure I contribution is a set amount as defined by the expenditure plan, the development mitigation, State and federal resources are significantly more fluid.

Projects in the Major Street Program are subject to the requirements of the SBCTA Development Mitigation Program, which is comprised of Chapter 4, Appendix G and Appendix F of the San Bernardino County Congestion Management Program (CMP). The program was initially adopted by the SBCTA Board on November 2, 2005 and updated every two years, where required. Pursuant to the SBCTA Development Mitigation Program, projects to be funded by the program include both a public share and a private share of funding. The public share of funding includes Measure I Valley Major Street Program, State, and federal funds. The private share of funding includes any development-based source of revenue as described in the SBCTA Development Mitigation Program. The ability to fully fund the projects included in the Nexus Study is contingent on the availability of Measure I, State, federal and development based revenue.

The Major Street Program is divided into an arterial sub-program and a rail/highway grade separation sub-program. These sub-programs consist of approximately 400 projects, including 19 grade separations, with a total estimated cost of $1.6 billion. Figure IV-5 shows a map of the location of the arterial projects. Figure IV-6 shows a map of the location of the grade separation projects.
Figure IV-5. Location of Projects in the Arterial Sub-Program
Figure IV-6. Location of Projects in the Rail/Highway Grade Separation Sub-program

Map Legend

<table>
<thead>
<tr>
<th>Complete</th>
<th>Ten Year Delivery Plan</th>
<th>Beyond the Ten Year Delivery Plan</th>
</tr>
</thead>
</table>

Valley Subarea Major Street Program Grade Separation Subprogram Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
<th>Strategic Plan Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hunts Ln/UP</td>
<td>Complete</td>
</tr>
<tr>
<td>2</td>
<td>Laurel St/BNSF</td>
<td>Complete</td>
</tr>
<tr>
<td>3</td>
<td>North Milliken Ave/UP</td>
<td>Complete</td>
</tr>
<tr>
<td>4</td>
<td>South Milliken Ave/UP</td>
<td>Complete</td>
</tr>
<tr>
<td>5</td>
<td>North Vineyard Ave/UP</td>
<td>Complete</td>
</tr>
<tr>
<td>6</td>
<td>Palm Ave/BNSF</td>
<td>Complete</td>
</tr>
<tr>
<td>7</td>
<td>Glen Helen Pkwy/BNSF</td>
<td>Complete</td>
</tr>
<tr>
<td>8</td>
<td>Monte Vista Ave/UP</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>9</td>
<td>Archibald Ave/UP</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>10</td>
<td>Rialto Ave/San Bernardino Line</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>11</td>
<td>Fogg St/BNSF</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>12</td>
<td>Main St/UP</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>13</td>
<td>Beaumont Ave/UP</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>14</td>
<td>San Timoteo Canyon/UP</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
</tbody>
</table>
The Measure I budgeting, allocation, and expenditure process is described Section IV.B.1: Funding and Expenditure Process for San Bernardino Valley Programs and Projects. In general the process for receipt and expenditure of funds for arterials is:

- Local jurisdictions submit their Capital Projects Needs Analysis (CPNA) by September 30 each year.
- SBCTA staff prepares an assessment using the CPNAs for each Valley program and makes a recommendation of funding for inclusion in the annual budget.
- The arterial projects eligible for reimbursement are documented in the annual Funding Allocation and Project List, approved by the Board.
- Local jurisdictions submit invoices to SBCTA for reimbursement of the public share of expenditures.

The foundation for the Arterial Sub-program is the guarantee of an equitable share percentage of Major Street Program funds (after allocation of a share to the railroad grade separation subprogram) to each jurisdiction over the 30-year life of the Measure. The equitable share percentage is represented by the ratio of public share costs for each jurisdiction’s arterial projects to total Valley arterial public share costs in the Development Mitigation Nexus Study approved by the SANBAG Board in November 2007. Table IV-4 provides the established equitable share percentages. The equitable shares will be guaranteed over the life of the Measure by making adjustments based on the time-value of money. The percentages in Table IV-4 may be modified only through the annexation of unincorporated areas, which would add to the equitable share percentage for the annexing city and reduce the percentage for the County.

The Strategic Plan policies defined the reimbursement to jurisdictions that entered into a PAA for the advancement of major street projects. Forty percent of the revenue was allocated to the reimbursement of PAA commitments. The Strategic Plan policies also defined the split of Measure I revenue between the two sub-programs. After the PAA allocation, 80% of the balance is apportioned to the arterial sub-program and 20% is apportioned to the grade separation sub-program. In 2006, the passage of Proposition 1B brought additional State grants for goods movement projects. Six grade separation projects in San Bernardino County received Proposition 1B Trade Corridors Improvement Fund (TCIF) funds totaling $50 million. The stakeholders, including SBCTA, local jurisdictions, and State entities, entered into project Baseline Agreements to demonstrate their commitment to the delivery of these projects. The CTC TCIF guidelines required all TCIF projects to be under construction no later than December 2013. Because TCIF funds would be lost if deadlines were not met, the Strategic Plan determined that bonding was required. Substantial construction award savings have occurred in the TCIF program; therefore the CTC has extended this deadline to December 2019 so that additional projects can be delivered.
Table IV-4. Valley Subarea Jurisdiction Equitable Share

<table>
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<tr>
<th>Jurisdiction</th>
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<tbody>
<tr>
<td>Chino</td>
<td>7.591%</td>
</tr>
<tr>
<td>Chino Hills</td>
<td>2.194%</td>
</tr>
<tr>
<td>Colton</td>
<td>2.534%</td>
</tr>
<tr>
<td>Fontana</td>
<td>19.400%</td>
</tr>
<tr>
<td>Grand Terrace</td>
<td>1.389%</td>
</tr>
<tr>
<td>Highland</td>
<td>6.777%</td>
</tr>
<tr>
<td>Loma Linda</td>
<td>4.074%</td>
</tr>
<tr>
<td>Montclair</td>
<td>0.597%</td>
</tr>
<tr>
<td>Ontario</td>
<td>12.272%</td>
</tr>
<tr>
<td>Rancho Cucamonga</td>
<td>5.044%</td>
</tr>
<tr>
<td>Redlands</td>
<td>4.854%</td>
</tr>
<tr>
<td>Rialto</td>
<td>3.831%</td>
</tr>
<tr>
<td>San Bernardino</td>
<td>7.857%</td>
</tr>
<tr>
<td>Upland</td>
<td>2.743%</td>
</tr>
<tr>
<td>Yucaipa</td>
<td>5.965%</td>
</tr>
<tr>
<td>County</td>
<td>12.878%</td>
</tr>
<tr>
<td><strong>Arterial Allocation</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The 2012 10-Year Delivery Plan initial financial analysis was performed based on the 80%-20% split between the sub-programs established in the 2009 Strategic Plan. This initial analysis determined that the amount of revenue for the grade separation sub-program expenditure plan would not support the bonds required to deliver the grade separation projects on schedule so as not to jeopardize the TCIF funds. Keeping SBCTA’s PAA reimbursement commitment, options were considered to address the funding shortfall, including the cancellation of projects, which would result in the loss of State and federal grants; supplementing revenue with additional local funding; and the adjustment of distribution percentages between the two sub-programs. Ultimately the Board amended Valley Major Street Program Measure I 2010-2040 Strategic Plan Policy 40006 to reflect the revenue funding splits described below:

- After the 40% PAA distribution, arterial sub-programs will receive 67% of Measure I Major Street Program Funds for the first ten years, 70% for the second ten years, and 78% for the last ten years.
- After the 40% PAA distribution, the grade separation sub-program will receive 33% for the first ten years, 30% for the second ten years, and 22% for the last ten years.
- The revenue funding splits described above are limited to the completion of the grade separation projects under development at the time. Any additional revenues or savings that are not required for the completion of these grade separations shall be transferred to the arterial sub-program until the arterial sub-program reaches 80% of the revenue allocated to the Major Street Program.
The following grade separation projects in the Valley Measure I Expenditure Plan have been completed:

- Hunts Ln/UP Line
- Laurel St/BNSF
- North Milliken Ave/UP
- South Milliken/UP
- North Vineyard/UP
- Palm Ave/BNSF
- Glen Helen Pkwy/BNSF

A substantial number of Valley arterial projects have also been completed by local jurisdictions using funding from the Major Street Program.

**IV.B.6.b. Current Status**

SBCTA and other project sponsors successfully delivered all of the initial TCIF projects by the December 2013 deadline. Additionally, savings in the initial program allowed the addition of the Monte Vista Grade Separation to the program. Bonding was necessary to support the matching requirements of the TCIF program and the Proposition 1B State-Local Partnership program funds that have played a large role in the ability to fully fund these projects. Based on favorable bid results where most bids came in below the engineer’s estimate, there is no further adjustment between subprograms proposed other than that defined in Board policy resulting from the 2012 10-Year Delivery Plan. Additionally, the current bonding analysis and revenue projections indicate that it may be possible to return to an 80/20 split in the last ten years of the Measure, but that will depend on actual future Measure revenues relative to debt service in the grade separation sub-program. Because repayment of PAAs will be substantially complete in Fiscal Year 2017/2018, analysis indicates that to return to the 80/20 split, the timing of revenue splits for the arterial and grade separation sub-programs must be adjusted as follows:

- Beginning in Fiscal Year 2018/2019, the arterial sub-program will begin receiving 80% of Measure I Major Street Program Funds, and beginning in Fiscal Year 2031/2032 the arterial sub-program will begin receiving 82% of the Measure I Major Street Program Funds, with Fiscal Year 2039/2040 acting as a final balancing year as necessary.
- Beginning in Fiscal Year 2018/2019, the grade separation sub-program will begin receiving 20% of Measure I Major Street Program Funds, and beginning in Fiscal Year 2031/2032 the grade separation sub-program will begin receiving 18% of the Measure I Major Street Program Funds, with Fiscal Year 2039/2040 acting as a final balancing year as necessary.

If it is clear toward the end of the 30-year Measure that the rail/highway grade separation sub-program will not use the full 20% of Measure I Major Street Program funds, excess funds may be transferred to the arterial sub-program.
The arterial sub-program is a pay-as-you-go, reimbursement program with project selection consistent with the Nexus Study but at the local level. Individual projects are not included in the Plan at this time.

The rail/highway grade separation sub-program includes the following grade separation that is currently under construction.
  - Monte Vista Ave/UP in Montclair

No other grade separations are currently scheduled to be delivered within the next ten years.

**IV.B.6.c. Beyond the 10-Year Delivery Plan**

The arterial sub-program will continue as a pay-as-you-go, reimbursement program with project selection consistent with the Nexus Study but at the local level. Individual projects will be funded as part of each jurisdiction’s development mitigation program. It is estimated that $404 million could be available for this program for Fiscal Year 2026/2027 through Fiscal Year 2039/2040.

Nearly all of the funding for grade separations has been spent for current and completed projects with only $13 million expected to be available for new projects through Fiscal Year 2039/2040. There currently is nothing planned for the other possible grade separation improvements throughout the county without new funding sources becoming available. SBCTA will continue to seek out all federal and State funding opportunities for new grade separation improvements. The following grade separation improvements have been identified on the Nexus Study list but remain unplanned:
  - Archibald Ave/UP
  - Rialto Ave/San Bernardino Metrolink Line
  - Fogg St/BNSF
  - Main St/UP
  - Beaumont Ave/UP
  - San Timoteo Canyon/UP
IV.B.7 Valley Metrolink and Passenger Rail Program

IV.B.7.a. History

Eight percent (8%) of the revenue collected in the Valley Subarea shall be made available to the Metrolink/Passenger Rail Program. Eligible expenditures include: the purchase of expansion commuter rail passenger cars and locomotives for use on Metrolink lines serving San Bernardino County; construction of additional track capacity necessary to operate more Metrolink passenger trains; construction of Metrolink station expansion parking; provision of local funds to leverage State and Federal funds used to maintain the railroad track, signal systems, and road crossings; construction and operation of a new passenger rail service between the cities of San Bernardino and Redlands; and the construction and operation of an extension of the LA Metro Gold Line to the Montclair Transit Center.

The Measure I Expenditure Plan identified two rail projects, the extension of passenger rail to Redlands and Gold Line Extension to Montclair, and expansions of the current Metrolink service estimated at $692 million to be funded with a combination of Measure I, State, and Federal funds. During development of the Measure I Strategic Plan in 2008, the Transit Committee (formerly the Commuter Rail and Transit Committee) recommended approving the use of bonding and re-scoping of the passenger rail program and prioritization of the capital investments based on funding availability. The Measure I Expenditure Plan and Strategic Plan identify the Metrolink line and facility improvements necessary to increase service for San Bernardino County, the purchase of expansion commuter rail passenger cars and locomotives, the Redlands Passenger Rail Project, and the Gold Line Extension to Montclair as projects to be funded from this program. In February 2014, the SBCTA Board approved maintaining commitment to the following projects: extension of passenger rail to Redlands, Metrolink San Bernardino Line Double Track – control point (CP) Lilac Avenue to CP Rancho Avenue, and Gold Line Extension to Montclair.

IV.B.7.b. Current Status

Since approval of the 2014 10-Year Delivery Plan, construction has been completed on the Metrolink extension to downtown San Bernardino, the scope and cost of the Redlands Passenger Rail Project has become more defined, and Los Angeles County has secured funding to extend the Gold Line to San Bernardino County Line. Although Redlands Passenger Rail Project costs have increased since initial estimates, the project has received grant awards from the Federal Transportation Investment Generating Economic Recovery (TIGER) Program and the State Transit and Intercity Rail Capital Program (TIRCP) in the amounts of $8.7 million and $9.2 million, respectively. Additionally, an application for funding under the Federal Transit Administration Small Starts Program is in progress to help further close the funding gap, and was assumed in the 2017 update to the 10-Year Delivery Plan. Funding for the Gold Line Extension Project was previously contingent upon the passage of the Los Angeles County Measure M. Measure M was proposed and approved on the November 2016 ballot and provides funding for
the Gold Line extension to the county line. Funding for the design, right-of-way, and construction phases in San Bernardino County to Montclair are being added to the Gold Line Extension Project in the 2017 update.

In response to the Board’s desire to advance delivery of the Downtown San Bernardino and Redlands Passenger Rail Projects and the Gold Line extension, the 2014 Update indicated a need to bond for the program. Bonding will be used only for capital investments. Measure I Rail expenditures for operation of the Redlands Passenger Rail service in future years have been accounted for prior to determining the capital project needs. Measure I funds can only be used to fund operations of a new passenger rail service between the cities of San Bernardino and Redlands or the extension of the Gold Line to Montclair. Local Transportation Funds have been identified for the operation of the Downtown San Bernardino Passenger Rail Service.

State Transit Assistance Funds (operator share) and all Local Transportation Funds are allocated on an annual basis and are used to fund operation costs for both Metrolink and Omnitrans. In the Valley Subarea, Local Transportation Funds are only used for transit purposes. The current revenue estimate for the Metrolink/Passenger Rail Program for the next ten years is $120 million.

The basis for determining the cost of this program included information contained in the 2010-2030 Strategic Assessment prepared by the Southern California Regional Rail Authority (Metrolink). The Strategic Assessment was developed in 2006 and included preliminary cost estimates for the two projects named in the Expenditure Plan (Gold Line Extension and Redlands Passenger Rail). Due to financial constraints, many of the projects contained in the Metrolink plan for 2030 were extended out to 2040. The initial proposed program cost totaled over $3.1 billion. It is important to note that the proposed program did not include additional capital projects likely to be needed before 2040, such as the replacement of initial acquisition of Metrolink locomotives and passenger cars; the rehabilitation of the Metrolink Central Maintenance and Operations facilities; and the possible extension of the Gold Line to the Los Angeles/Ontario International Airport.

The projection of federal formula funds totaling $561.8 million (Section 5307 Fixed Guideway and 5309 Rail Modernization) are based on historical trends. A significant amount of CMAQ and STIP funds (totaling $364.6 million and $53.4 million) have been identified to support the acquisition of additional passenger rail cars, the construction of additional parking at the Metrolink stations and meet the Board’s previous commitment to the Redlands passenger rail project. The use of CMAQ funds for transit purposes is consistent with the previous Board policy (approved April 2, 2003). The revenue forecast includes fifty percent (50%) FTA New Starts match for the Gold Line Extension to Montclair and $75 million from the FTA Small Starts match for the Redlands passenger rail project. Finally, the amount of LTF and STA included (totaling $193.5 and $120.2 respectively) is considered to be a reasonable expectation for rail capital purposes. Other minor funding is to be provided from the State Proposition 1B Public Transportation, Modernization, Improvement, and Surface Enhancement Account (PTMISEA) and the local Rail Asset Fund.
IV.B.7.c. Beyond the Ten Year Delivery Plan

The Measure I Expenditure Plan does not identify additional improvements to the Valley Metrolink and Passenger Rail Program. SBCTA will address future needs as they arise with additional federal and state funding sources. Future planning studies will identify needs where needed.

Southern California Association of Governments (SCAG) has been conducting the Los Angeles and San Bernardino Inter-County Transit and Rail Connectivity Study (Inter-County Study) with partnership from SBCTA, Los Angeles County Metropolitan Transportation Authority (Metro), and transit agencies. The study focuses on the transportation corridor that connects the eastern San Gabriel Valley in Los Angeles County with the western San Bernardino Valley in San Bernardino County. The main goal of this study is identify the optimum mix of service levels of light rail, commuter rail, hybrid rail, express bus, and bus rapid transit (BRT) in the corridor. While no improvements have been identified at this time, it is expected that by the end of the study, SCAG will provide a plan for passenger rail improvements to serve the needs of residents, workers, and businesses within the scope of the Inter-County Study. Figure IV-7 is a map showing the location of Metrolink and Passenger Rail Program projects.
**Map Legend**

<table>
<thead>
<tr>
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</thead>
</table>

**Figure IV-7**

Valley Subarea Metrolink-Rail Projects

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<th>#</th>
<th>Project Name</th>
<th>Strategic Plan Status</th>
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<tbody>
<tr>
<td>1</td>
<td>Gold Line Extension to Montclair</td>
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<td>2</td>
<td>Transit Connectivity to ONT</td>
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</tr>
<tr>
<td>3</td>
<td>Metrolink Double Tracking Lilac to Rancho</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>4</td>
<td>Downtown San Bernardino Passenger Rail</td>
<td>Ten Year Delivery Plan</td>
</tr>
<tr>
<td>5</td>
<td>Redlands Passenger Rail Project</td>
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</tr>
</tbody>
</table>

**IV.B.8. Valley Express Bus/Bus Rapid Transit Program**

**IV.B.8.a. History**

The Measure I Valley Express Bus & Bus Rapid Transit (BRT) Program provides specific funding for development, implementation, and operation of express bus and bus rapid transit in high density corridors. The Program receives 2% of revenue collected in the Valley until Fiscal Year 2020/2021 at which time the Program will be increased to at least 5%, but no more than
10%, upon approval by the SBCTA Board of Directors. The Valley Major Street Program will be reduced by a like amount. The Measure I Expenditure Plan estimated that $301 million in 2004 dollars in Measure I, State, and federal funds would be available to this Program over the life of the Measure.

**IV.B.8.b. Current Status**

SBCTA supports the overall objective of cost effective enhanced transit service throughout the County and specifically the growth of express bus and bus rapid transit service. In addition to the E Street sbX BRT corridor which was completed in 2014, two additional BRT corridors with high ridership were studied in more detail, Foothill Boulevard and Holt Boulevard. Both SBCTA and Omnitrans have completed conceptual estimates for capital and annual operating costs for several service improvement options spanning from “light” express bus to full BRT service improvements.

As part of a system of ten planned BRT corridors in the Omnitrans System-Wide Transit Corridor Plan for the San Bernardino Valley, the West Valley Connector project was developed taking into account the highest ridership sections of the Holt and Foothill Corridors. Omnitrans began developing the project in an effort to provide faster, more frequent, and more direct bus service to connect major destinations throughout the western part of the San Bernardino Valley. Following the completion of an Alternatives Analysis for the West Valley Connector in September 2014, a 25-mile-long BRT corridor serving the five cities of Pomona, Montclair, Ontario, Rancho Cucamonga, and Fontana was proposed. With implementation of BRT, ridership is projected to increase on the corridor by 25% near-term and travel time is projected to decrease by 5-10%, benefiting all five cities.

In October 2013, given the funding constraints for transit operations, the SBCTA Board suspended future allocations of Program funds to the development of BRT capital improvements beyond E Street sbX until Fiscal Year 2018/2019. However, in December 2016, the Board lifted the suspension of future allocations of these funds for BRT improvements and authorized the development of a funding plan for the West Valley Connector, including the use of Measure I Valley Express Bus and BRT funds.

It is important that transit funding constraints be considered when advancing projects that require large amounts of capital funding and result in overall increases to on-going operational costs. Therefore, due to funding constraints, the construction of the West Valley Connector may occur in phases, but may be developed as one project should funding become available. Funds identified by Omnitrans for the West Valley Connector include Federal Transit Administration (FTA) 5307 funds, FTA 5309 funds, State Active Transportation Program funds and revenue from a land sale. SBCTA also intends to seek FTA Small Starts Grant funding. In November 2015, the Omnitrans Board of Directors awarded a contract for Architectural, Engineering and Final Design Services to Parsons Transportation Group, Inc. for the West Valley Connector Project. While the final needs assessment for a new maintenance facility in the West Valley was included in the contract, final design of the facility was not.
In December 2016, the SBCTA Board of Directors designated SBCTA as the lead agency for Environmental Clearance, Design, Right-of-Way Acquisition, and Construction of the West Valley Connector Project. In May 2017, the SBCTA Board of Directors approved including a phasing approach identified as Scenario #6 Minimum Operating Segment – Pomona to Victoria Gardens, Enhanced Service on Route 81/Haven with existing Route 66/Foothill in the environmental document and approved an allocation of $95 million in Measure I Valley Express Bus and Bus Rapid Transit funds toward that phase. It is important to note that when considering this allocation and the cost to operate this phase, there will be no more Measure I funds available for other projects in this Program.

IV.B.8.c. Beyond the 10-Year Delivery Plan

The Long Range Transit Plan (LRTP) identifies a transit network for the San Bernardino Valley which has refined the initial seven corridors to nine potential BRT corridors. The E Street sbX route has been completed, while the West Valley Connector (Holt and Foothill Blvd. West corridors) is currently planned. As noted above, these two projects are projected to use all of the available Measure I funding for this Program through Fiscal Year 2039/2040, assuming the SBCTA Board of Directors increases the Program share of Measure I to no more than 5%. However, an update to the LRTP will be completed by 2019 that will help identify the priorities of the program and find the best use of any future funding that may become available, especially in light of the recent passage of SB-1, which contains significant funding for transit capital projects. The BRT routes being considered are as follows, but not limited to:

- Foothill Blvd. East (from Fontana Metrolink Station to Highland)
- Euclid Ave. (from Foothill Blvd. in Upland to the Corona Metrolink Station)
- San Bernardino Ave. (from Fontana Kaiser Hospital to San Bernardino Transit Station)
- Grand/Edison Ave. (from Cal Poly Pomona to Limonite Shopping Center)
- Sierra Ave. (from I-15 to Fontana Kaiser Hospital)
- Riverside Ave. (from Sierra Avenue to downtown Riverside)
Figure IV-8 is a map of existing and potential Bus Rapid Transit projects.

### Map Legend

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**Figure IV-8**

**Valley Subarea Bus Rapid Transit Projects**

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<th>Project Name</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Euclid Ave (Foothill Blvd to Corona Metrolink)</td>
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</tr>
<tr>
<td>2</td>
<td>Foothill Blvd East (Fontana to Highland)</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>3</td>
<td>Grand/Edison Ave (CP Pomona to Limonite Ctr)</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>4</td>
<td>Riverside Ave (Sierra Ave to Downtown Riverside)</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>5</td>
<td>San Bernardino Ave (Fontana Kaiser to SB Transit Station)</td>
<td>Beyond the Ten Year Delivery Plan</td>
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<td>6</td>
<td>sbX Green Line</td>
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<tr>
<td>7</td>
<td>Sierra Ave (I-15 to Fontana Kaiser)</td>
<td>Beyond the Ten Year Delivery Plan</td>
</tr>
<tr>
<td>8</td>
<td>West Valley Connector</td>
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</table>
IV.B.9. Valley Senior and Disabled Transit Program

IV.B.9.a. History

Within the San Bernardino Valley subarea, the amount of Measure I revenue apportioned to the Valley Senior and Disabled Transit Program will be 8%, of which a minimum of 25% shall be made available for the creation and operation of a CTSA that will be responsible for the coordination of social service transportation for elderly individuals, individuals with disabilities, and families of limited financial means. In October 2010, Valley Transportation Services (VTrans) was created and designated as the CTSA for the Valley by the SBCTA Board. In November 2015, the Board concluded that consolidation of the CTSA operations under Omnitrans would be more cost-effective, thereby increasing the funding available for programs that benefit senior citizens and persons with disabilities.

The remaining 75% may be expended to reduce fares and support existing, new, expanded, or enhanced transportation services, including capital projects, for senior citizens and individuals with disabilities. Allocations of these funds are approved by the SBCTA Board.

IV.B.9.b. Current Status

This Program will be managed on a pay-as-you-go basis. The 10-Year Delivery Plan includes on-going allocations to Omnitrans for CTSA services at the 25% level for a total allocation of $30 million and on-going general allocations totaling about $72 million over the ten years. These funds are one of many on-going allocations made to Omnitrans as part of annual capital and operating subsidies. The current revenue estimate for the next ten years is $120 million.

IV.B.9.c. Beyond the 10-Year Delivery Plan

It is estimated that $109 million will be available in Measure I funding from Fiscal Year 2026/2027 to Fiscal Year 2039/2040 for the Valley Senior and Disabled Transit Program. Omnitrans plans to continue using their Senior and Disabled share to fund the operations of their Access Service (paratransit) as well as for reduced fare on both their fixed-route and Access services.

Since the CTSA services are new to Omnitrans they will continue the current services they have such as the Travel Reimbursement Program (TREP) for the San Bernardino Valley, Travel Training program, and partnerships with community partners. In 2018 they will complete their Short Range Transit Plan (SRTP) which will lay out in more detail the plan to continue the CTSA component over the next five years.
IV.B.10. Valley Traffic Management Systems Program

IV.B.10.a. History

The Measure I Valley Expenditure Plan states that “2% of revenue collected in the Valley Subarea will fund traffic management systems.” The amount is not intended to deliver sizeable infrastructure projects. The Valley Traffic Management Systems Program funds are to provide seed money to support transportation planning, creation of transportation management programs, implementation of traffic operational improvements on regional facilities, and environmental enhancements. The Traffic Management Systems Program funding can be used to strategically leverage State, federal, local, and private funding.

Measure I defines a non-comprehensive list of eligible projects under this category that include signal synchronization, systems to improve traffic flow, commuter assistance programs, and the freeway service patrol. Additional project types that are consistent with traffic management systems and environmental enhancement include corridor greenbelts, HOV inducements, bike and pedestrian trails, open space development, and air quality-related inducements, including alternative fuel programs.

IV.B.10.b. Current Status

This Program will be managed on a pay-as-you-go basis. This Program also annually supports SBCTA staff subregional planning and project development and commuter assistance efforts. Additionally, starting in 2002 with the San Bernardino Valley Traffic Signal Coordination System Master Plan as a basis, SBCTA, in conjunction with the local agencies, implemented coordination of approximately 1,250 signals on major arterial corridors in the Valley with an investment of over $15 million. This involved coordination with sixteen separate local agencies and Caltrans. At system “turn-on”, both the Tiers 1 & 2 Project (completed in 2008) and Tiers 3 & 4 Project (completed in 2012), showed significant improvements in arterial travel times and reductions in stops and delays. SBCTA in coordination with local agencies has developed a 5-year plan for on-going maintenance and operations of the system so as to continue to provide benefits to the public. This plan relies on grants, contributions from local agencies, and Traffic Management System funds, which are primarily used as incentive funds for local agencies, who ensure their signals are operational and coordinated. The current revenue estimate for the next ten years is $30 million.

IV.B.10.c. Beyond the 10-Year Delivery Plan

It is estimated that $112 million will be available in Measure I funding for the Valley Traffic Management Systems Program from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. The Program will continue to be managed on a pay-as-you-go basis. As the Program is delivered as a 5-year plan, there is currently no plan beyond the 10-Year Delivery Plan, but SBCTA expects to continue to provide maintenance, operation, and new systems to benefit the public throughout the life of Measure I.
IV.C. Victor Valley Subarea Program

IV.C.1. Victor Valley Local Street Program

IV.C.1.a. History

The Local Street Program of the Victor Valley Subarea of the Mountain/Desert is funded by 70% of the Measure I 2010-2040 revenue collected within the subarea. Two percent of this revenue shall be reserved in a special account to be expended on Project Development and Traffic Management Systems. The policies and procedures for the Project Development and Traffic Management Systems Program can be found in Policy 40011 in Part 2 of this Strategic Plan.

The Measure I Expenditure Plan estimated $579 million of Measure I revenue would be available for local street projects. Seventy percent (less 2% retained by SBCTA for Project Development/Traffic Management Systems) of the funds collected in the Subarea would be distributed on a monthly basis to the jurisdiction based on population (50%) and tax generation (50%). Population calculations shall be based upon the most current State Department of Finance estimates for January 1 of each year. Estimates of unincorporated population within the subarea shall be determined by the County of San Bernardino Planning Department, reconciled with the State Department of Finance population estimate. Tax generation calculations shall be based upon State Board of Equalization data.

IV.C.1.b. Current Status

In accordance with the Expenditure Plan, the Measure I funds apportioned to the Local Streets are included in the 10-Year Delivery Plan with the funds passed through monthly to the local jurisdictions. No individual projects are included in this Plan. The current estimate for the program over the next ten years is $142 million in escalated dollars.

IV.C.1.c. Beyond the 10-Year Delivery Plan

The Valley Local Streets program does not maintain planning beyond five years, consistent with the requirements of the five year plans required of each jurisdiction. It is forecast that $330 million could be available to this program between Fiscal Year 2026/2027 and Fiscal Year 2039/2040.
IV.C.2. Victor Valley Major Local Highways Program

IV.C.2.a. History

The Measure I Expenditure Plan included contributions to projects along major streets and highways serving as current or future primary routes of travel within the subarea, which may include interchanges and freeway improvements along I-15, SR 138, US 395, and the proposed High Desert Corridor. The total cost for the contribution was estimated at $413 million, which will be funded from a combination of Measure I, development fees, and State and federal funds.

Measure I 2010-2040 requires that “no revenue generated from the tax shall be used to replace the fair share contributions required from new development.” Each jurisdiction in the urbanized Victor Valley was required to participate in the SBCTA Development Mitigation Program. The jurisdictions required to participate in the Development Mitigation Program within the urbanized Victor Valley are the Cities of Adelanto, Hesperia, and Victorville, the Town of Apple Valley, and their respective unincorporated spheres of influence. Each jurisdiction was required to adopt a development mitigation financing mechanism within 24 months following approval of the Measure, and each jurisdiction complied with this requirement. The requirements of the SBCTA Development Mitigation Program are contained in Chapter 4 and Appendices F and G of the Congestion Management Program.

Through the development of the 2009 Strategic Plan, candidate project lists were developed with the assistance of the Victor Valley subarea jurisdiction representatives that included interchange projects, arterial projects, grade separation projects, state highway projects, and highway corridor projects. Measure I allocation to projects within this Program is at the full discretion of Victor Valley subarea representatives, the Mountain/Desert Policy Committee, and SBCTA Board. The Advanced Expenditure Program is available for projects meeting the eligibility detailed in the Victor Valley Strategic Plan Policy 40011 and Policy 40013.

The following projects have been completed by the Victor Valley Major Local Highway Program:

- I-15/Ranchero Interchange
- Ranchero/Escondido Traffic Signal
- I-15/La Mesa/Nisqualli Interchange
- Yucca Loma Bridge / Yucca Loma Road / Yates Road
- SR-138 Widening from 2 to 4 lanes, Phase 1
IV.C.2.b. Current Status

Significant progress is being made in the delivery of the priorities identified for development in Measure I 2010-2040. The I-15/La Mesa/Nisqualli Interchange opened to traffic in 2013 and the I-15/Ranchero Interchange opened to traffic in February 2016. The Yucca Loma Bridge and the adjacent Yucca Loma Road project were opened to traffic in 2017. The Green Tree Boulevard section of the Yucca Loma Corridor is in the right of way phase and is expected to be under construction in 2018. The current estimate for the program over the next ten years is $53 million.

During the initial development of the 2017 10-Year Delivery Plan and subsequent discussions, the Victor Valley Subarea representatives, the Mountain/Desert Policy Committee, and the SBCTA Board of Directors established and approved a list of priority projects for inclusion in the 10-Year Delivery Plan. The list includes the following:

- High Desert Corridor contribution
- Apple Valley Rd @ SR-18 realignment
- US-395 Widening Phase 1
- Yucca Loma Corridor – Green Tree Extension
- Bear Valley Bridge over Mojave River
- Rock Springs Rd over Mojave River
- Yucca Loma Rd – Apple Valley to Rincon
- Ranchero Rd Corridor Widening
- Main St Widening – US 395 to 11th Ave

IV.C.2.c. Beyond the 10-Year Delivery Plan

It is estimated that $79 million could be available in Measure I funding from Fiscal Year 2026/2027 through Fiscal Year 2039/2040. Although there is no plan in this program for project development beyond the 10-Year Delivery Plan, SBCTA will make use of these funds on potential projects. The projects could include, but are not limited to:

- I-15/Eucalyptus Interchange
- High Desert Corridor
- I-15 Express Lane, Phase 3
- US-395 Widening, Phase 2 & 3
- Summit Valley Road
- Phelan Road (Sheep Creek to SR-138)
- Adelanto Road
- Colusa Road
- El Mirage Road
- Deep Creek Road
- Helendale Road
- Joshua/Muscatel Interchange
- Mojave/Smoketree Interchange
- Bear Valley Interchange
- High Desert Corridor Interchange
- Rock Springs Rd
- Deep Creek Rd
- Central Rd
- Summit Valley Rd
- Phelan Rd (Sheep Creek to US-395)
- Vista Rd/Shadow Mountain Grade Separation
- SR-18 (Apple Valley to Tao Rd)
- SR-18 (US-395 to Baldy Mesa Rd)
- SR-18 (Lucerne Valley)
- Mauna Loa/Lemon Ave/BNSF Grade Separation
See Figure IV-9 for a map of Victor Valley subarea Major Local Highway Program projects.

**Map Legend**

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**Figure IV-9.**

**Victor Valley Subarea Major Local Highway Projects**

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<td>Ranchero/Escondido Traffic Signal</td>
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<td>4</td>
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<td>6</td>
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<td>Ten Year Delivery Plan</td>
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<td>US-395 Widening Phase 1</td>
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<td>12</td>
<td>Ranchero Rd Corridor Widening</td>
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IV.C.3. Victor Valley Senior and Disabled Transit Program

IV.C.3.a. History

The Measure I Expenditure Plan included $43 million estimated revenue for the Victor Valley Senior and Disabled Transit Program. Note beginning in Fiscal Year 2015/2016 and every five years thereafter, the Local Street Program decreases by 0.5% and the Senior and Disabled Transit Program increases by 0.5% up to a total of 7.5% of the Measure I Revenue in the Victor Valley Subarea unless each local jurisdiction within the subarea makes a finding that such increase is not required to address unmet transit needs of senior and disabled transit users. All increases above the initial 5% shall come from the Victor Valley Local Streets Program. Expenditure of this Program funding is approved by the SBCTA Board.
IV.C.3.b. Current Status

This Program is managed on a pay as-you-go basis. The Program funds are allocated to Victor Valley Transit Authority (VVTA) on an annual basis and used on services and projects identified in its Short Range Transit Plan. The current revenue estimate for the next ten years is $12.5 million.

In addition to these Program funds, SBCTA allocates Local Transportation Funds, State Transit Assistance Funds (both Operator and Population shares), and CMAQ funds to VVTA as part of annual capital and operating subsidies. Unlike the Valley Subarea, there is no set-aside for a CTSA required in the Victor Valley Subarea, although VVTA has recently been designated as a CTSA for their service area. Historically a portion of the Local Transportation Fund allocated to VVTA is returned to the local jurisdictions for local streets and roads purposes.

IV.C.3.c. Beyond the 10-Year Delivery Plan

Because Measure I Senior and Disabled funding fluctuates annually, VVTA has limited its use to Paratransit Services (Direct Access) and CTSA activities. In the past, VVTA would allocate a portion of this funding to assist Department of Adult and Aging Services (DAAS) for their Travel Reimbursement Program (TREP). With the designation of the CTSA, VVTA has created their own program called TRIP (Transportation Reimbursement and Information Program). In the out years, VVTA plans to expand their TRIP program, provide more travel training to move riders from Direct Access to their fixed-route service, as well as create Paratransit Trip Brokerage and Senior Center Volunteer Driver Programs in its service area. It is forecast that there could be $36 million in Measure I funds for this program from Fiscal Year 2026/2027 to Fiscal Year 2039/2040.


IV.C.4.a. History

The Victor Valley Project Development and Traffic Management Systems Program is funded by 2% of the revenue collected within the Victor Valley Subarea, which was estimated to be $17 million, and reserved in this special account. The Program funds may be used, at the discretion of local subarea representatives, for costs associated with corridor studies and project study reports, projects to improve traffic flow and maximize use of transportation facilities, congestion management, commuter assistance programs, and projects which contribute to environmental enhancement associated with highway facilities. Detailed policies such as project eligibility can be found in the Victor Valley Strategic Plan Policy 40015.
**IV.C.4.b. Current Status**

The total cost of the Program is to be covered by the anticipated revenue allowing for the Program to be run on a pay-as-you-go basis. This program also annually supports SBCTA staff subregional planning and project development efforts. The current revenue estimate for the next ten years is $4 million.

**IV.C.4.c. Beyond the 10-Year Delivery Plan**

It is estimated that $8.1 million will be available in Measure I funding for the Victor Valley Project Development and Traffic Management Systems Program from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. The program will continue to be managed on a pay-as-you-go basis. As the program is delivered as a 5-year plan, there is currently no plan beyond the 10-Year Delivery Plan, but SBCTA expects to continue to provide maintenance, operation, and new systems to benefit the public throughout the life of Measure I.

**IV.D. Rural Mountain / Desert Subarea Programs**

**IV.D.1. Rural Mountain/Desert Local Street Program**

**IV.D.1.a. History**

The Local Street Program of the Colorado River, Morongo Basin, Mountain, and North Desert Subareas of the Mountain/Desert Area is funded by 70% of the Measure I 2010-2040 revenue collected within the subarea. Two percent of this revenue shall be reserved in a special account to be expended on Project Development and Traffic Management Systems.

After reservation of 2% for Project Development and Traffic Management Systems Program in each rural Mountain/Desert Subarea, the remainder of the funding in the Local Streets Program shall be allocated to local jurisdictions based upon the jurisdiction’s proportional share of the subarea population to the total subarea population (50 percent) and the point of origin of the sales tax generation (50 percent). Population calculations shall be based upon the most current State Department of Finance estimates for January 1 of each year. Estimates of unincorporated population within the subarea shall be determined by the County of San Bernardino Planning Department, reconciled with the State Department of Finance population estimate. Tax generation calculations shall be based upon State Board of Equalization data.

The jurisdictions included in these subareas are as follows:
- Colorado River Subarea: City of Needles and County of San Bernardino.
- Morongo Basin Subarea: City of Twentynine Palms, Town of Yucca Valley, and County of San Bernardino.
- Mountain Subarea: City of Big Bear Lake and County of San Bernardino.
- North Desert Subarea: City of Barstow and County of San Bernardino.
IV.D.1.b. Current Status

In accordance with the Expenditure Plan and the Strategic Plan, the Measure I funds apportioned to the Local Streets Program are included in the 10-Year Delivery Plan with the funds passed through monthly to the local jurisdictions. No individual projects are included in this Plan. The current estimates for the Rural Mountain/Desert Local Street Programs are as follows:

- North Desert Subarea - $47 million
- Mountain Subarea – $16 million
- Morongo Basin Subarea - $18 million
- Colorado River Subarea - $2 million

IV.D.1.c. Beyond the 10-Year Delivery Plan

It is forecast that $182.6 million in Measure I revenue could be available for the Rural Mountain/Desert Local Street Program from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. No individual projects are included in this Plan.

IV.D.2. Rural Mountain/Desert Major Local Highways Program

IV.D.2.a. History

The Major Local Highways Program of the Rural Mountain/Desert subareas is funded from 25% of the Measure I 2010-2040 revenue collected within the subarea. The Measure I Expenditure Plan included contributions to projects along major streets and highways serving as current or future primary routes of travel within the North Desert, Mountains, Morongo Basin, and Colorado River subareas.

Through the development of the Measure I Expenditure Plan, candidate project lists were developed with the assistance of the subarea jurisdiction representatives that included arterial projects and bridge replacement projects.

IV.D.2.b. Current Status

During the initial development of the 2017 10-Year Delivery Plan, the Rural Mountain/Desert Subarea representatives, the Mountain/Desert Policy Committee, and the SBCTA Board of Directors established and approved a list of priority projects for inclusion in the 10-Year Delivery Plan.
The North Desert Subarea current estimate for the program is $17 million. The projects are as follows:

- National Trails Highway Resurfacing Phase 1
- North 1st Ave Bridge over BNSF
- Baker Blvd Bridge Widening
- North 1st Ave Bridge over Mojave River
- Fort Irwin Rd Resurfacing
- National Trails Highway Resurfacing Phase 2
- Rimrock Rd and Irwin Rd Rehabilitation

The Mountain Subarea current estimate for the program is $6 million. The projects are as follows:

- Village “L” St Improvements (Construction Completed) – AEA
- Arrowbear Dr Bridge at Arrowbear Spillway

The Morongo Basin Subarea current estimate for the program is $6.8 million. The projects are as follows:

- Park Blvd Resurfacing
- SR-62, Encelia to Larrea – AEA
- Yucca Trail/Warren Vista Intersection
- SR-62/Sage Ave Intersection
- SR-62, Encelia to Larrea, Phase 2
- Yucca Trail/Joshua Ln Intersection
- Yucca Trail/Palomar Ave Intersection
- Amboy Rd Resurfacing
- Split Rock Ave Flood Channel Crossing
- Yucca Trail/Indio Ave Intersection

The Colorado River Subarea current estimate for the program is $719,000. The projects are as follows:

- Needles Connector
- Unincorporated Needles Project

**IV.D.2.c. Beyond the 10-Year Delivery Plan**

It is forecast that $72.6 million of Measure I revenue could be available for the Rural Mountain/Desert Major Local Highway Program from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. The amount available to the individual subareas would be proportional to their revenue generation minus the committed project expenditures in the 10-Year Delivery Plan. These funds could be used to fund projects from the 10-Year Delivery Plan that have not been completed, or can be used on projects identified in other planning studies.
Mountain Subarea

The stakeholders in the Mountain Subarea initiated the Mountain Area Transportation Study (MATS) in 2015. Its goal was to identify the transportation needs of the mountain areas including Wrightwood, Lake Arrowhead, Crestline, Running Springs, and Big Bear Lake. The mountain areas experience different trends in transportation than the rest of the county. This is due to the seasonal nature of the traffic and to dealing with the mountainous terrain. This study identified deficiencies in the current system and developed potential solutions to these problems. It provided guidelines for local agencies to use in collaboration on funding, responsibility, and project schedules with a list of priority projects for implementation.

These priority projects include:
- SR-18 at Snow Valley Ski Area/Snow Play Area
- SR-38 at Stanfield Cutoff
- SR-18 at SR-330 intersection
- SR-330 at City Creek US Forest Service Station
- SR-18 at Hilltop Blvd
- SR-18/SR-38 ‘Real Time Traffic Management’ sign
- SR-18 at Lakeview Dr
- SR-18 at Village Dr
- SR-18 at Pineknot Ave
- SR-18 at Moonridge Rd
- SR-18 at Stanfield Cutoff
- SR-18 from Division Dr to Paradise Way

This list of priority projects does not represent a commitment by the County, City of Big Bear Lake, SBCTA, or Caltrans to the funding and implementation of any particular project. Further discussions will occur on these recommendations and some of these projects could ultimately be included in the 10-Year Delivery Plan and/or Caltrans, SBCTA, and local programming documents for implementation.

Morongo Basin, North Desert, Colorado River Subareas

The Morongo Basin Area Transportation Study was completed in 2015. Additional projects are identified in the MBATS Recommendations section and could be considered for later inclusion in the 10-Year Delivery Plan and/or Caltrans, SBCTA, and local programming documents for implementation.

MBATS identified these priority projects:
- SR-62 widening from San Bernardino County Line to Western Yucca Valley Town Limits
- SR-62 widening from Western Yucca Valley Limits to SR-247
- SR-247 widening from Northern Morongo Basin Boundary Limits to Northern Yucca Valley Town Limits
- SR-247 widening from Northern Yucca Valley Town Limits to SR-62
- Yucca Mesa Rd widening from Buena Vista Dr to SR-62
Other projects may also be considered in the North Desert and Colorado River subareas, and these will be considered on a case-by-case basis.

Figures IV-10 through IV-13 illustrate the potential projects identified for the Mountain and Desert Subareas under the respective Major Local Highways Programs.

**Map Legend**

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**Figure IV-10.**
Mountain Subarea Major Local Highway Projects

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<td>Village “L” Improvements</td>
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<td>SR-18 at Snow Valley Ski Area</td>
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<td>SR-38 at Stanfield Cutoff</td>
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### Figure IV-11.
**North Desert Subarea Major Local Highway Projects**

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<td>North 1st Ave Bridge over BNSF</td>
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<td>Baker Blvd Bridge Widening</td>
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Morongo Basin Subarea Major Local Highway Projects

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**Figure IV-13.**
Colorado River Subarea Major Local Highway Projects

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IV.D.3. Rural Mountain/Desert Senior and Disabled Transit Program

IV.D.3.a. History

The Measure I Expenditure Plan included $17.5 million estimated revenue for the Rural Mountain/Desert Senior and Disabled Transit Program. Funds made available under this program shall be used to enhance transit services provided to or to provide fare subsidies for seniors and individuals with disabilities. The amount of Measure I revenue apportioned to this Program will be 5% initially. Jurisdictions in the Rural Mountain/Desert Subareas have the option to increase the revenue to the Senior and Disabled Transit Program, although that has not been done to date. All increases above the initial 5% shall come from the Rural Mountain/Desert Local Streets Program. Expenditure of this Program funding is approved by the SBCTA Board, based upon needs identified in the transit operator’s Short Range Transit Plan.

IV.D.3.b. Current Status

This Program will be managed on a pay as-you-go basis. The Program funds are allocated on an annual basis to the different transit operators that provide transit service to each subarea and used on services and projects identified in its Short Range Transit Plan. The current revenue estimate for the next ten years is 12.7 million among all subareas. The programs are managed by different transit operators in each subarea. They are covered as follows:

- North Desert – Victor Valley Transit Authority
- Mountains – Mountain Transit
- Morongo Basin – Morongo Basin Transit Authority
- Colorado River – City of Needles

These Program funds are used for the following purposes:

- North Desert – Victor Valley Transit Authority
  - VVTA will provide its TRIP (Transportation Reimbursement and Information Program) project in the North Desert. Previously this program was managed by VTrans. Based on need, VVTA will consider new programs in North Desert including Paratransit Trip Brokerage and travel training specifically for North Desert.

- Mountains – Mountain Transit
  - Mountain Transit will continue to use this funding to provide reduced fares for seniors and disabled riders. Additionally they will be working with VVTA to provide the TRIP program to the mountain residents. Previously VTrans managed this program in the Mountain subarea; however, Mountain Transit does not have the staffing to take on this project. VVTA has agreed to make this project available in their area.
• Morongo Basin – Morongo Basin Transit Authority
  o MBTA will continue to use this funding for the Ready Ride (paratransit services) and will be starting their own Travel Reimbursement Program (TREP). Previously VTrans managed the TREP program in the Morongo Basin; however, MBTA has decided to take this project on to help better serve its riders.

• Colorado River – City of Needles
  o The City of Needles will continue to use this funding to provide Senior and Disabled Dial-A-Ride Medical.

**IV.D.3.c. Beyond the 10-Year Delivery Plan**

It is forecast that $13.5 million could be available for the Rural Mountain/Desert Senior and Disabled Transit Programs from Fiscal Year 2026/2027 to Fiscal Year 2039/2040.

**IV.D.4. Rural Mountain/Desert Project Development and Traffic Management Systems Program**

**IV.D.4.a. History**

The Project Development and Traffic Management Systems program is funded by 2% of the revenue collected within each subarea and reserved in this special account. Eligible Project Development and Traffic Management Systems projects may include, at the discretion of local subarea representatives, costs associated with corridor studies and project study reports, projects to improve traffic flow and maximize use of transportation facilities, congestion management, commuter assistance programs, and programs which contribute to environmental enhancement associated with highway facilities.

**IV.D.4.b. Current Status**

The total cost of the Program is to be covered by the anticipated revenue allowing for the Program to be run on a pay-as-you-go basis. This program also annually supports SBCTA staff subregional planning and project development efforts.

Expenditure of Project Development and Traffic Management Systems funds shall be approved by the SBCTA Board of Directors, based upon a recommendation of the subarea representatives and the Mountain/Desert Policy Committee. If, after five years of revenue collection and every five years thereafter, the local representatives and the Mountain/Desert Policy Committee make a finding that Project Development and Traffic Management Systems funds are not required for improvements of benefit to the subarea, then revenue in the Project Management and Traffic Management Systems category may be returned to the general Local Street Program. Such return shall be allocated and expended based upon the formula and requirements established in the Local Street Program.
IV.D.4.c. Beyond the 10-Year Delivery Plan

It is estimated that $7.7 million will be available in Measure I funding for the Rural Mountain/Desert Project Development and Traffic Management Systems Programs from Fiscal Year 2026/2027 to Fiscal Year 2039/2040. The Programs will continue to be managed on a pay-as-you-go basis. As the program is delivered on an on-going basis, there is currently no plan beyond the 10-Year Delivery Plan, but SBCTA expects to continue to provide maintenance, operation, and new systems to benefit the public throughout the life of Measure I.