



# OahuMPO Policy Board Meeting

August 25th, 2020



- I. Call to order by Chair
- II. Introductions/Roll Call



### III. Approval of the July 28, 2020 Meeting Minutes



## IV. Reports

- A. Executive Director
- B. Technical Advisory Committee
- C. Citizen Advisory Committee



# V. Old Business

## A. None



## VI. New Business

### A. Land Use Data Update for ORTP 2045



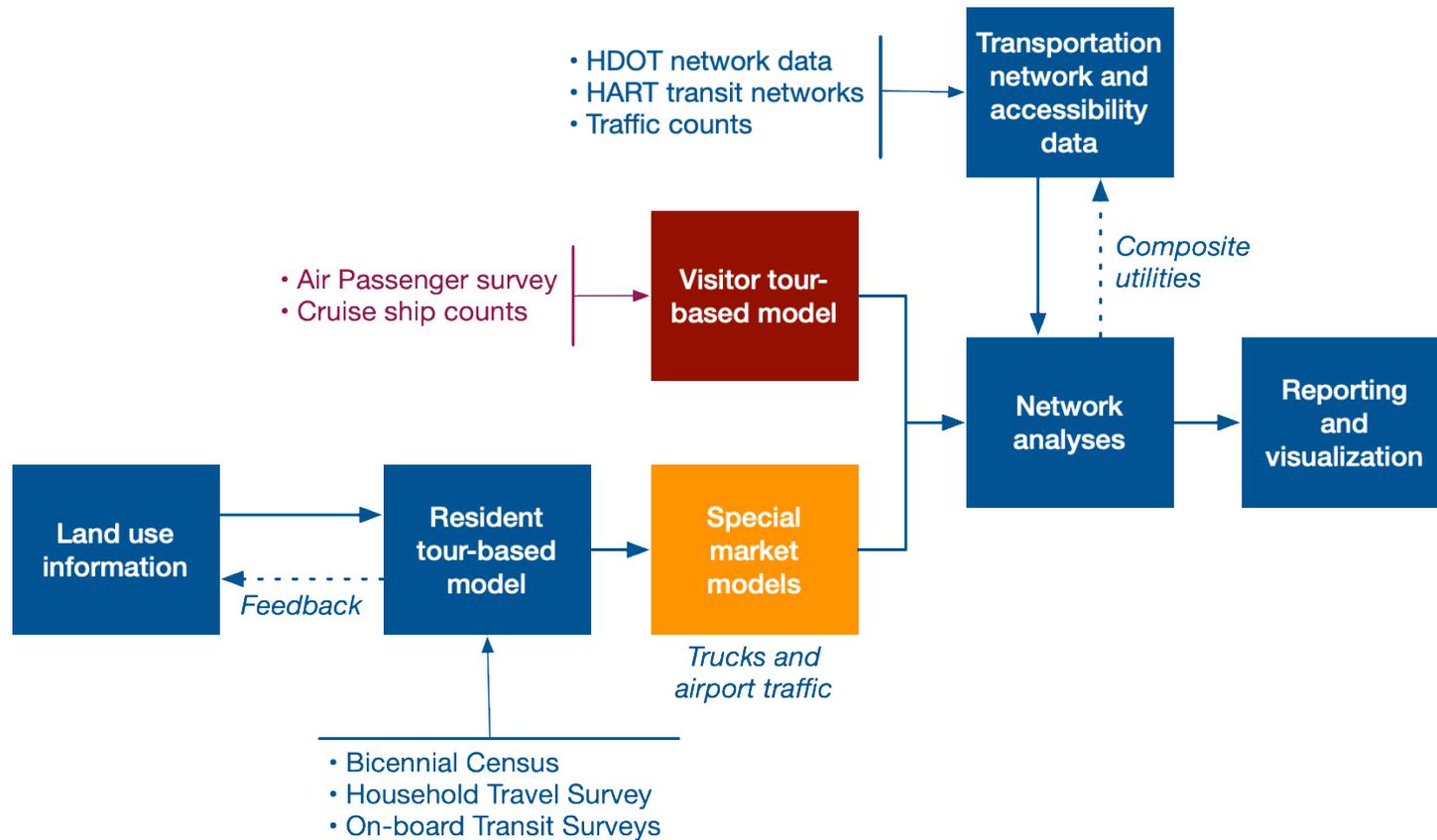
# OahuMPO Travel Forecasting

## Land use workarounds

Rick.Donnely@wsp.com & Kyle@caliper.com | 07-Aug-2020



# OahuMPO regional travel model





# Uses

## Traditional uses

Transit demand and revenue

Major highway investments

Oahu Regional Transportation Plan

## Current uses

*All traditional uses, plus:*

Project prioritization

Community connectivity

Links to economic and trade models

Commercial vehicle travel and impacts

Links to emissions models

Energy impacts

Travel demand management

Safety impacts

Modal redundancy studies

Network resilience measures

Economic impact analyses

Congestion duration

Pricing studies

Managed lane studies

Cost-benefit analyses

Financial and social welfare measures

Equity analyses

Active transport analyses

Health impacts

Fuel price impact analyses

Bottleneck analyses

## Emerging uses

*All traditional and current uses, plus:*

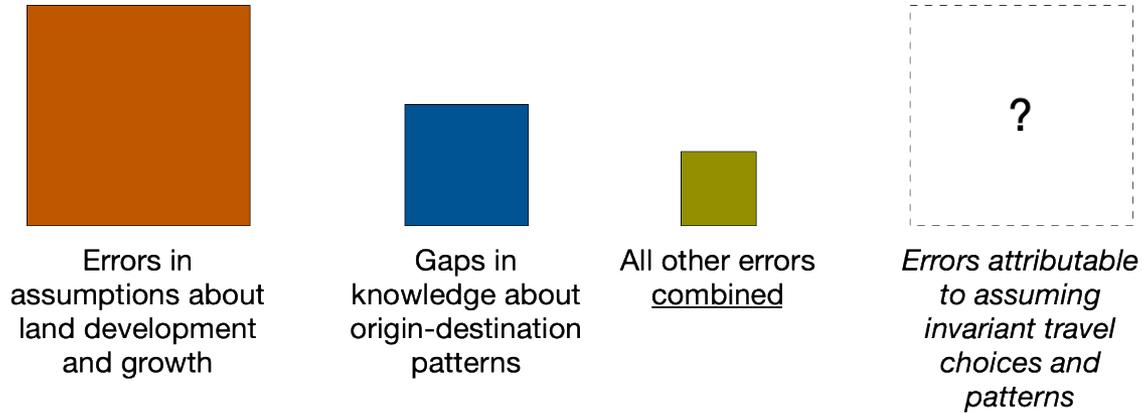
Autonomous vehicle impacts

Mobility as a service impacts

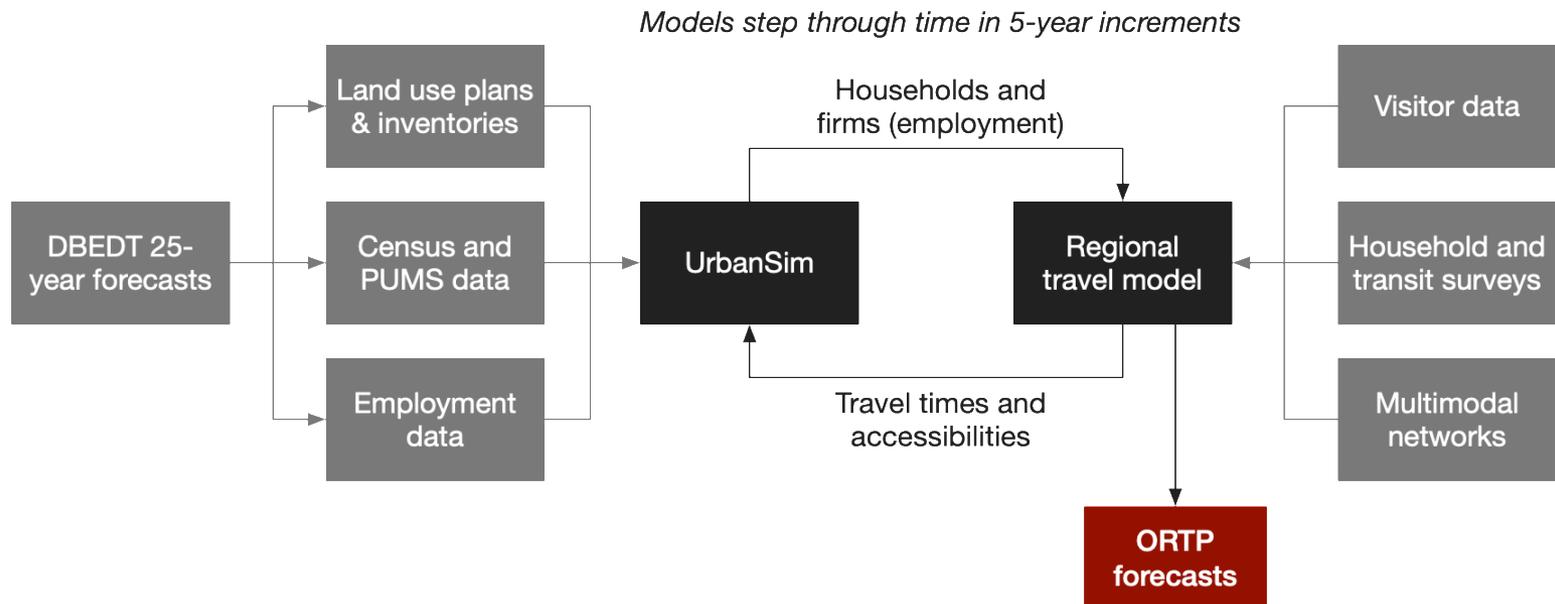
Increased telecommuting and remote work

Long-term impacts of COVID-19

# Sources of forecasting errors

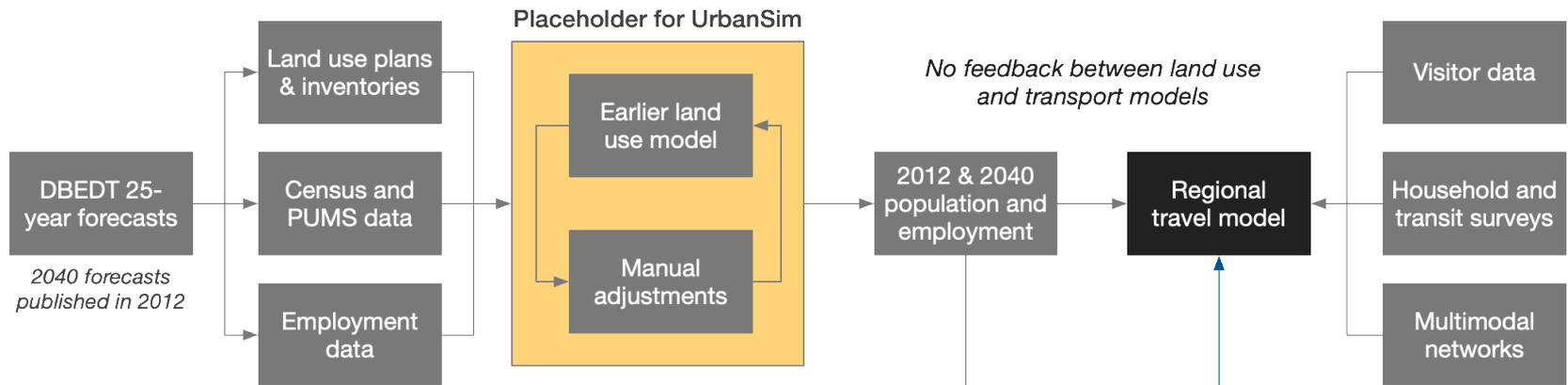


# Planned model integration



# Current approach

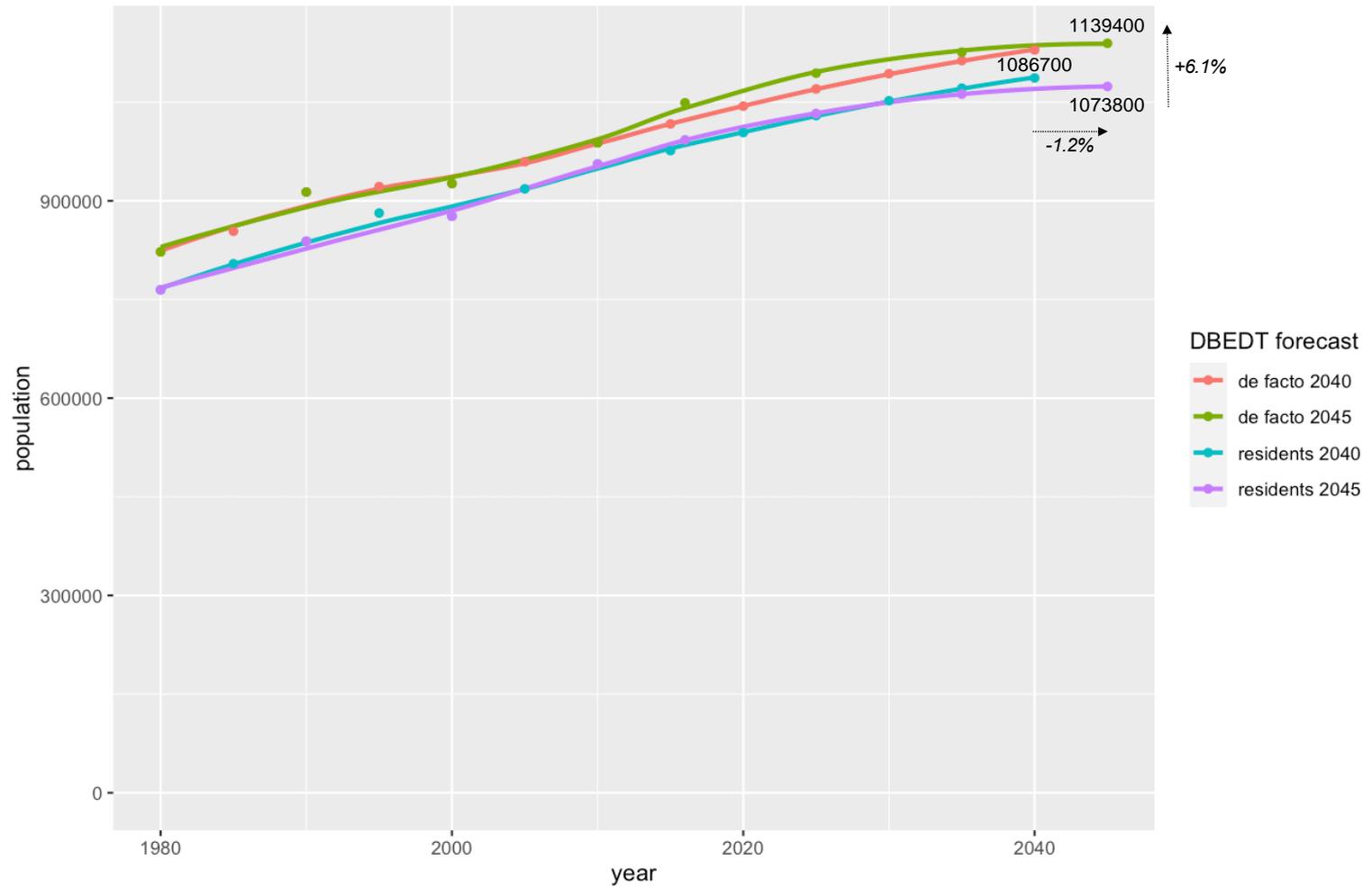
(a) DPP creates 2012 and 2040 socioeconomic forecasts required by regional travel model



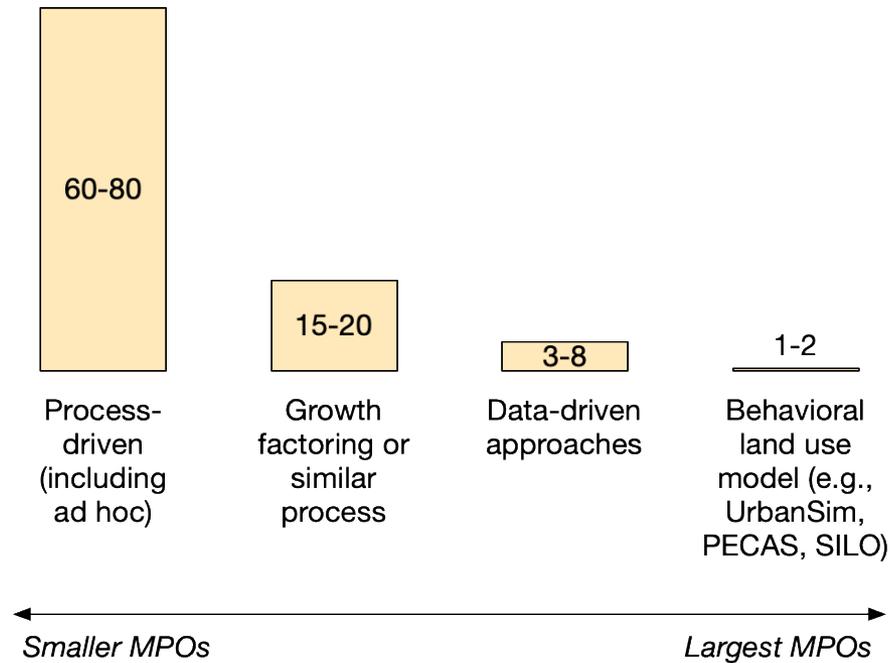
(b) Travel modeling team adjusts 2040 forecasts based on newer information



# Why this is possible



# Different methods



## Obtaining socio-economic forecasts for Oahu

- **Land use model** input data not yet available
- **Growth factoring** will be used as a workaround to create the 2045 socio-economic inputs to the 2045 ORTP



If the data are not available for the next 2050 ORTP, OahuMPO will encounter difficulties updating the travel forecasting model and creating reliable forecasts



## VI. New Business

### B. Certification Review Implementation Plan Update

# Certification Review Introduction



Conducted in  
May 2018  
Final Report issued  
December 2018

Verifies compliance  
with federal planning  
requirements

Types of findings:  
Corrective Actions  
Recommendations

OahuMPO requested  
additional  
information/guidance

Previous Updates  
to the TAC & PB:  
January 2019, April 2019  
October 2019



## Corrective Action from 2014 Review *Congestion Management Process - ORTP & TIP*

*“Clarify and document how the updated or new **Congestion Management Process (CMP)** was implemented through the next update to the TIP and in the long-range plan development”.*

The CMP Update will document:

- The incorporation of the CMP in the project & program prioritization process for the ORTP & TIP
- Use of the CMP to conduct a congestion analysis for the ORTP & TIP, to understand impacts on congestion with and without projects implemented.

ORTP: On track to meet deadline  
TIP: Projects & programs in the new TIP (2022-2025) will be evaluated using a prioritization process that incorporates the CMP

# Corrective Action from 2018 Review *Revenue Forecasting - ORTP*



*“The OahuMPO, HDOT, and local planning partners must develop a financial plan with realistic assumptions and demonstrate how the projects included in the plan are fiscally constrained.”*

- A draft revenue forecast has been delivered to OahuMPO
- Next step: Consultation with agency partners about draft
- Finalization of the draft pending approval of a contract amendment submitted in March 2020.

On track to meet deadline pending  
resolution of contract delay



## Corrective Action from 2014 Review *Consultation with land management agencies - ORTP*

*“The OahuMPO must maintain a documented process for consultation with land management agencies and other resource agencies.”*

- Call for projects to launch very shortly
- Following the deadline, new projects will be evaluated and analyses will be included in the plan as an appendix.
- As part of project & program prioritization process for ORTP 2045 and TIP FFYs 2022-2025, new projects will be evaluated on whether they overlap with environmentally and culturally sensitive areas.

On track to meet deadline



## Corrective Action from 2014 Review *Documentation of public comments & dispositions – ORTP & TIP*

*“The Final ORTP & TIP must include a documented disposition of public comments received.”*

*Additional note: Comments should be easy to find by the public.*

- The ORTP draft has not been put out for public comment.
- OahuMPO staff plans to include the comments as an appendix in the final document.

ORTP: On track to meet deadline  
TIP: Done for FFYs 2019-2022!



## Corrective Action from 2014 Review *Public Participation Plan*

*“During the next update to the TIP and MTP, OahuMPO must fully document public comments and the disposition of the comments received and identify, either within the public participation plan or within the final document(s), how the documented comments and responses are made available to the public. ”*

- OahuMPO staff plans to include public comments as an appendix in the ORTP 2045 and FFYs 2022-2025.

ORTP: On track to meet deadline  
TIP: Done for FFYs 2019-2022!



## Corrective Action from 2014 Review Documentation of *T6/EJ Analysis – ORTP & TIP*

*“The ORTP and TIP must include documentation of the analysis completed for Environmental Justice and Title VI”*

- The ORTP project list has not been developed.
- T6/EJ analysis will be done on projects selected for funding and documentation included in the final reports for both work products.

ORTP: On track to meet deadline  
TIP: Done for FFYs 2019-2022!



# VI. New Business

## C. Status of Federal Funding

# Current Status of the Highway Trust Fund

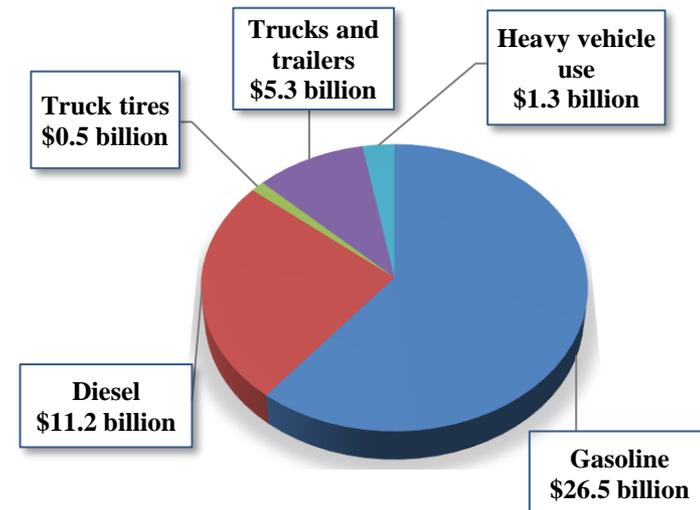


# Why provide a status update on the HTF?

- One of the places that the COVID-19 situation has caused a dramatic shift is in the Highway Trust Fund (HTF).
- In the FY 2021 President's Budget, the HTF was estimated to experience a cash shortfall during late FY 2021 to early FY 2022.
- However, with the recent significant reduction in travel, current projections indicate that the HTF will experience a cash shortfall in FY 2021.

# What tax receipts support the HTF?

- The HTF is supported with the proceeds of Federal excise taxes. These taxes are levied on:
  - Gasoline (~59% of annual revenue)
  - Diesel (~25% of annual revenue)
  - Truck and trailer sales (~12% of annual revenue)
  - Heavy vehicle use (~3% of annual revenue)
  - Truck tire sales (~1% of annual revenue)
- In FY 2019, the HTF received a total of \$44.8 billion in tax revenues.
- Each tax contributed the following amount in FY 2019:



# What tax receipts support the HTF?

- The Federal government does not directly collect from the consumer most of the excise taxes credited to the HTF.
- Who pays the taxes?
  - *Gas, diesel, and tire taxes* are paid by the producer.
  - *Truck and trailer sales taxes* are paid by the retailer.
  - *Heavy vehicle use taxes* are paid by the owner.
- How are the taxes paid?
  - Taxpayers file twice-monthly estimated payments.
  - Every quarter Treasury reconciles these estimates to determine the exact amount of taxes that should be attributed to the HTF.

# What is a cash shortfall?

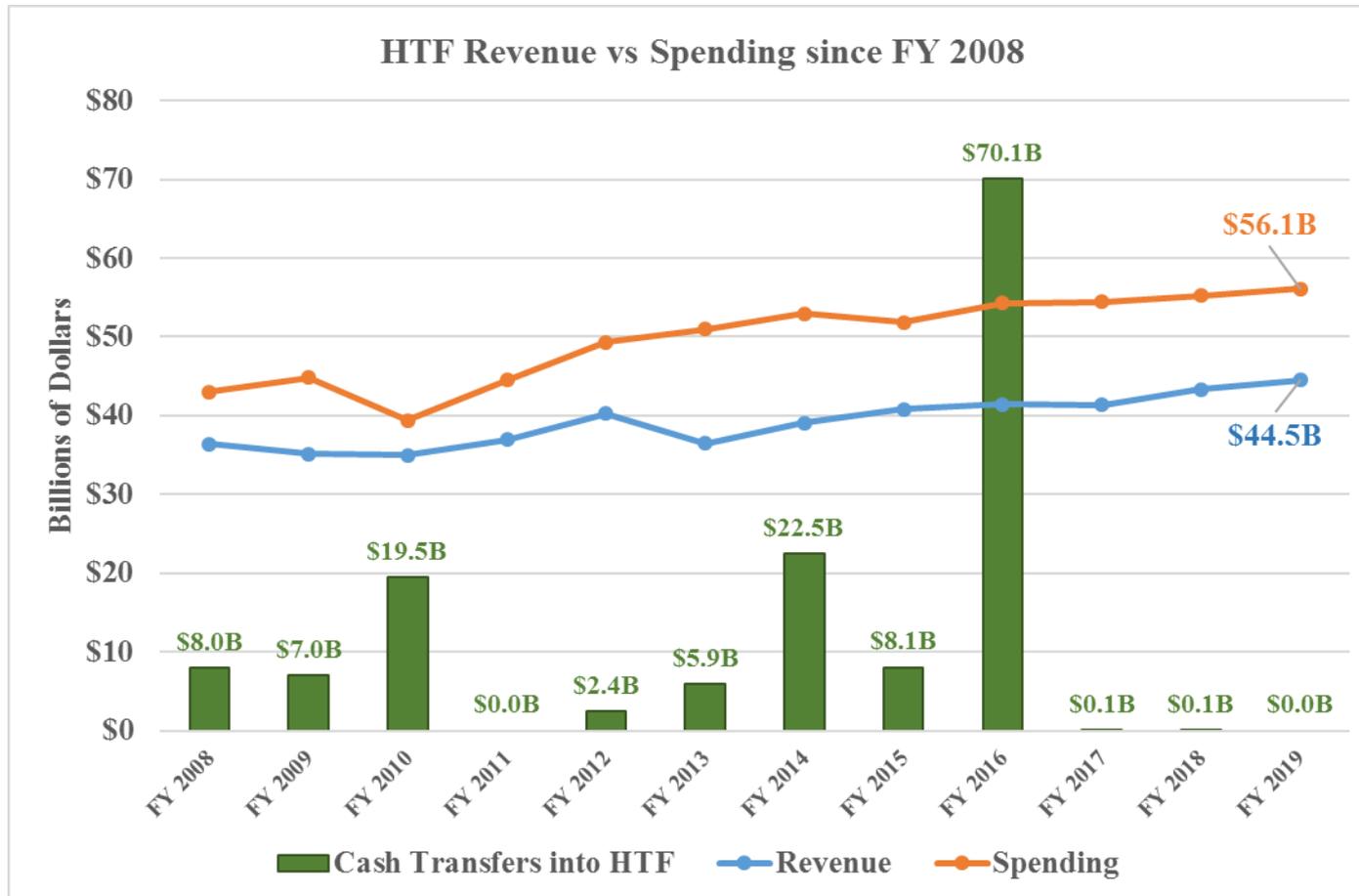
- What is happening?
  - In short, there are more bills to pay than cash coming in.
  - *Think of it like a bathtub with the faucet on, but the drain is open. Cash is coming in to the HTF, but it is being spent faster than it's coming in.*
  - COVID-19 has exacerbated the situation by significantly reducing receipts.
- Will the HTF go broke? Will it go below zero?
  - No, a shortfall does not mean the HTF goes “bankrupt.”
  - Without additional revenue or General Fund transfers into the HTF, the outlay of cash must be slowed to align with the pace of the incoming cash, which would likely slow project delivery.

# Why is the HTF approaching a cash shortfall?

- **Spending is outpacing revenue.**
  - Spending from the HTF has outpaced revenue for over a decade.
  - In FY 2019, the HTF had \$56.1 billion in expenditures while taking in \$44.5 billion in revenue, **resulting in an \$11.6 billion deficit.**
- **Why is spending outpacing revenue?**
  - The programs supported by the HTF have increased in size in recent decades.
  - The taxes that support the HTF were last adjusted by Congress in 1993.
  - Increased fuel efficiency has eroded the revenue from the gas and diesel taxes.
- **How have shortfalls been avoided in the past?**
  - Since 2008, Congress has transferred \$144 billion in additional funds into the HTF – primarily from the Treasury’s General Fund.
  - This includes a \$70 billion transfer from the General Fund authorized by the FAST Act in FY 2016.

# Why is the HTF approaching a cash shortfall?

- The HTF is annually spending nearly \$12 billion more than its receipts.



# What is the impact of the COVID-19 virus on the HTF?

- Since the emergence of the COVID-19 virus, there has been a significant decline in the amount of HTF taxes collected.
- **Current projections indicate that both the Highway and Mass Transit accounts will experience cash shortfalls earlier than estimated in the 2021 Budget.**

# What is the impact of the COVID-19 virus on the Highway Account year-to-date?

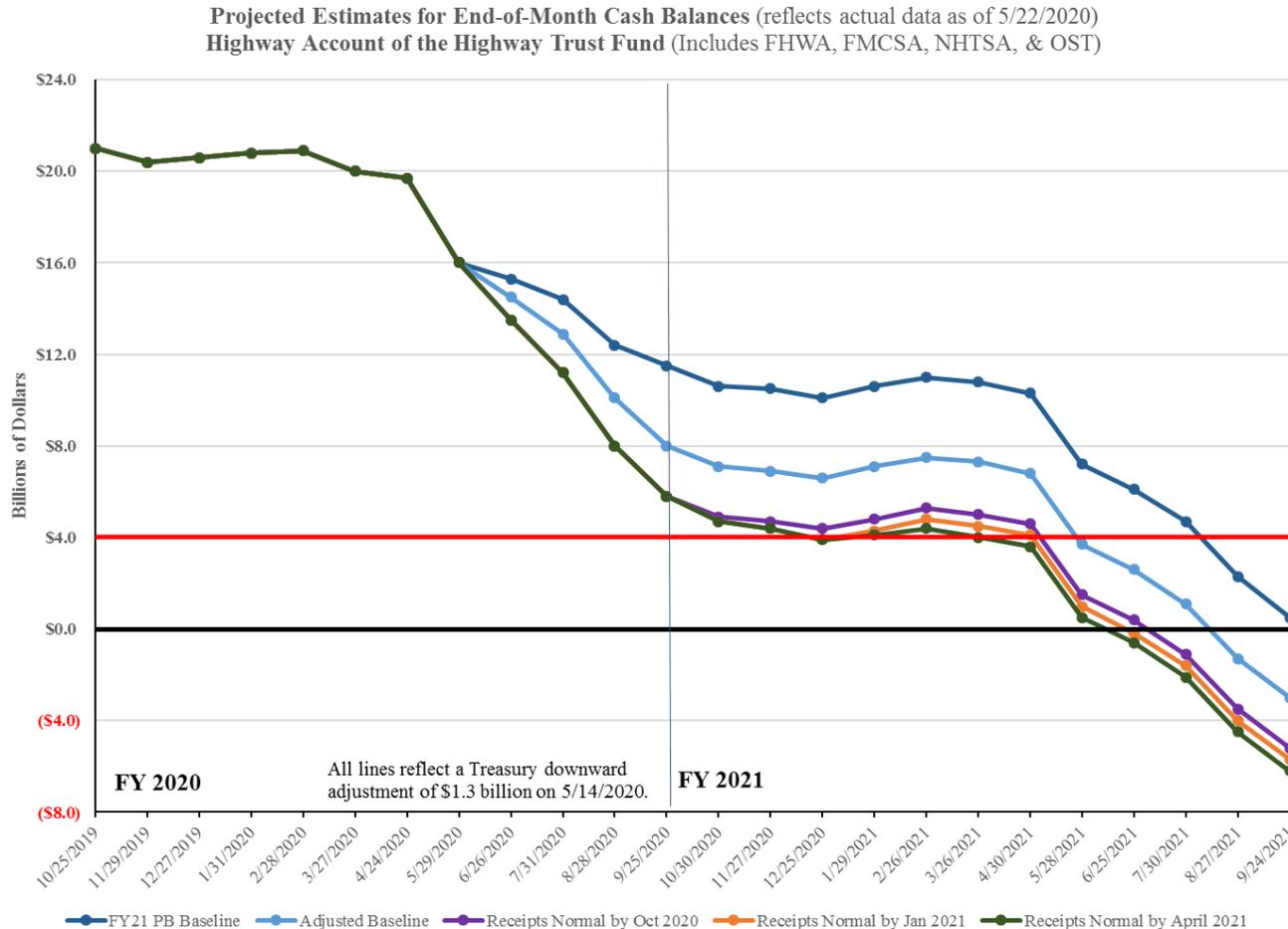
Treasury Semi-Monthly HTF Revenue Estimates				
Highway Account (dollars in millions)				
Weeks	2019	2020	2019-2020	% Change
April 1 - 15	1,662	1,224	(438)	-26%
April 16 - 30	1,567	853	(714)	-46%
May 1 - 15	1,809	1,043	(766)	-42%

Taxes paid in a given bi-monthly period reflect economic activity from prior periods.

- Highway Account revenue declined by **26 percent** during the first half of April when compared to the same period in 2019.
- Revenue declined by **46 percent** for the second half of April when compared to the same period in 2019.
- Revenue declined by **42 percent** for the first half of May when compared to the same period in 2019.

# What is the longer-term impact of the COVID-19 virus on the Highway Account?

- When will the Highway Account reach a critical point?



# What are the next steps?

- FHWA, FTA, and the Office of the Secretary are actively monitoring the status of the Highway Trust Fund.
- Should it become necessary, the Department will also work with FHWA and FTA to update cash management plans for Highway and Mass Transit Accounts.
- The Department will continue to provide timely updates to stakeholders.

# Federal Funding Update

- Surface Transportation Reauthorization
- Federal Stimulus



# Surface Transportation Reauthorization

- FAST Act expires Sep 30, 2020
- House Bill (INVEST in America Act):
  - \$494 billion (\$319b highway), FY 2021-2025
  - Year 1 is \$84b and allows 100% Federal and operating expenses
  - Committee vote 35 to 25, June 2020
- Senate Bill (America's Transportation Infrastructure Act):
  - \$287 billion (highway only), FY 2021-2025
  - Passed by Committee July 2019
  - Unanimous Committee vote
- Other committees have to fund
- Neither bill has been brought to the floor



# Federal Stimulus

- **CARES Act:**
  - Passed March 2020
  - \$25 billion for transit, \$10 billion for airports, no highway funds
  - \$150 billion for state government COVID related operations
- **HEROES Act (House Bill):**
  - \$15 billion for State DOTs, \$15.75 for transit agencies
  - 100% Federal share
  - \$540b to States, \$375b to locals for COVID related expenses
  - Senate has not taken up





VII. Invitation to interested members of the public to be heard on matters not included on the agenda

VIII. Announcements  
Next meeting is scheduled for September 29, 2020 at 1:00 p.m.

IX. Adjournment