



Approve 2022 Trade Corridor Enhancement Program Project Nomination

Consent

**Prepared by:** Chris Dougherty

**Attachments:** No

**Approved by:** James Corless

**Referring Committee:** Transportation

**1. Issue:**

The 2017 Senate Bill 1 (SB 1) legislation created a new competitive transportation funding program that provides a funding opportunity for freight projects. For local projects to compete in the program they require a nomination from SACOG.

**2. Recommendation:**

The Transportation Committee recommends that the Sacramento County Heavy-Duty Hydrogen Refueling Network project receive a board nomination to submit an application for state funding through the Senate Bill 1 Trade Corridor Enhancement Program (TCEP).

**3. Background/Analysis:**

The California Transportation Commission (CTC) has released the final guidelines for the 2022 TCEP. The program requires Caltrans or Metropolitan Planning Organizations (MPOs), such as SACOG, to nominate any projects that intend to submit applications to the program. Funding for the TCEP program is divided between approximately a 40 percent share for Caltrans and a 60 percent share for projects nominated by MPOs in regional corridors across the state. SACOG is in a regional corridor that also includes MPOs in the Bay Area and Central Valley. This regional corridor has a TCEP funding target of \$183 million for freight projects for this cycle of the program.

This program is intended to fund freight projects that significantly contribute to the freight system's economic activity or vitality; relieve congestion on the freight system; improve the safety, security, or resilience of the freight system; improve or preserve the freight system infrastructure; implement technology or innovation to improve the freight system or reduce or avoid its negative impacts; freight infrastructure (excluding vehicles) that enables zero-emission or near-zero emission goods movement; or reduce or avoid adverse community and/or environmental impacts of the freight system.

Projects must also be located on the Primary Highway Freight System or a designated critical freight corridor serving the primary system and consistent with the region's current Metropolitan Transportation Plan and Sustainable Communities Strategy. The program requires a minimum match of 30 percent, but higher match will greatly improve the competitiveness of projects.

**4. Discussion/Analysis:**

In October the board approved nominations for five projects that SACOG reviewed for concurrence with the 2020 MTP/SCS and competitiveness. Since that action, staff were notified of an additional project intending to submit an application for the TCEP program. SACOG recommends the project receive a nomination to apply for TCEP funding if they are confirmed to be eligible. The project information is below:

### **Sacramento County Heavy-Duty Hydrogen Refueling Network**

The project will develop three to four heavy-duty hydrogen refueling stations serving the Class-8 truck market in the Sacramento metro area, aimed at increasing commercial ZEV adoption. The fueling stations will be accessible from the four major highways that serve Sacramento.

Applications for the program are due November 18, 2022. The CTC requires project nominations to be submitted by MPOs. Staff will continue to coordinate with project sponsors and provide technical assistance in order to ensure that competitive project applications are submitted by the deadline.

### **5. Fiscal Impact/Grant Information:**

There is no fiscal impact to SACOG's operating budget from this recommended action. SACOG is not directly contributing to any of the nominated projects. Any future project funding contributions would be subject to board review and approval.

### **6. This staff report aligns with the following SACOG Work Plan Objectives:**

#### **Goal 1 : Advance Economic Prosperity**

**Objective 1:** Invest in and protect the transportation infrastructure needed to implement the region's economic prosperity plan.

**Objective 3:** Improve people's ability to get to jobs, schools, and other economic opportunities.

#### **Goal 2 : Connected Communities**

**Objective 1:** Develop more sustainable sources of future transportation funding while winning new competitive state and federal transportation grants.