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Warning issued on road projects

By Gary Richards

The California Transportation Commission says the state's "transportation program is in crisis and on the verge of collapse."

And that was before Gov. Arnold Schwarzenegger announced Monday that he will once again swipe transportation funds to help fill the state's budget deficit. If the governor's plan is approved, that will be more than \$3 billion in three years diverted from Proposition 42 -- the voter-approved initiative that earmarked sales tax money on fuel for transportation, unless the state declares a fiscal emergency.

In a report released last week, the transportation commission concluded that the crisis California faces is unlike any before. Over the next 10 years, the panel estimates, the state will face a \$100 billion shortfall for transportation funding. Already, projects across the state -- including high-profile highway improvements in the Bay Area -- have been stalled. The governor's recommendation threatens to push them back as much as four more years.

"What is most frustrating is the uncertainty of everything," said Eileen Goodwin, a transportation consultant who has worked on projects across the state and who formerly ran the agency that oversaw the building of Highway 85. "Sacramento dangles promises out there, then keeps taking money away. It's smoke and mirrors. It's maddening."

Transportation Secretary Sunne Wright McPeak described the budget as one that "the governor does not like personally. It's a reflection of a broken system" where the governor is in a pickle, facing pressing needs in education, health care and other areas that need money just as badly.

Near the bottom

Few highway projects that depend on state funding have been built since 2002. More than \$1.3 billion in work that was to have been under way by June has been canceled. The state now ranks 47th in the United States in per capita spending on highways.

Among the Bay Area projects almost sure to be delayed are new ramps at the notorious intersection of highways 152 and 156 east of Gilroy and merging lanes at the highways 1-17 squeeze in Santa Cruz. Adding extra lanes on Interstate 205 outside Tracy -- the main route for Bay Area workers who live in the Central Valley -- also seems stalled.

The list runs longer than the commute. Widening I-238 in the East Bay is in trouble. Adding carpool lanes on Highway 101 in Santa Rosa and on Interstate 80 near the Carquinez Bridge are off the table. Highway 4 upgrades will have to wait.

That's just the big, high-profile projects. Some Caltrans maintenance crews have been trimmed in half. Repaving projects slated for this year have been pushed back two to three years, with the backlog estimated at about \$600 million. Picking up litter depends on volunteers.

The effects are felt even on projects that have a green light.

Take the work about to begin on Interstate 880 at Mission Boulevard in Fremont. Construction on a new

interchange and extending carpool lanes is moving ahead, but the state may renege on \$37 million it owes the Alameda County Transportation Authority. Caltrans in effect borrowed the money to jump-start work this year.

If not paid back, then the East Bay agency will have to divert sales tax dollars away from future programs, such as widening I-238.

“If the taxpayers in Alameda County are not paid back, all future projects are at risk in the ACTA program,” said spokeswoman Tess Lengyel. “And it is unlikely (we) would advance state funds in the future.”

Work years away

The Valley Transportation Authority's long-range highway plans provide a telling glimpse into how dire the situation has become. Dozens of improvements are on its wish list for Santa Clara County, yet only one -- the upgrade at 152-156 -- may happen by 2010.

Voters thought they had taken care of transportation needs three years ago, when they overwhelmingly approved Proposition 42 by a 69 percent majority.

But an emergency clause allows the state to grab those funds in a fiscal emergency, which is what Gov. Gray Davis and Schwarzenegger have done for the last three years.

That has prompted a number of counties to go back to the taxpayers -- and with some success. In last November's election, voters in seven of 10 counties approved local sales taxes to fund highway and transit needs by a two-thirds vote.

The California Transportation Commission has recommended a statewide half-cent transportation sales tax be considered, and new Caltrans director Will Kempton hinted it may be considered in a speech to Silicon Valley business leaders last week. It would pull in funds equivalent to a 16 cent-per-gallon gas tax, and be the first new source of state transportation funding since a fuel tax increase in 1990.

But Schwarzenegger's no-tax-increase pledge makes it highly unlikely the popular Republican leader would endorse such a measure, and that may kill any forward movement.

Instead, the governor promised he will push a constitutional amendment that eliminates the fiscal emergency clause in Proposition 42 by 2008, earmarking those funds for traffic needs.

“The bottom line here is the governor is indicating a huge commitment we will be rolling out later,” said McPeak, adding that this “is a commitment the governor takes very seriously.”

Money still could be diverted, she said, but only in the case of “a terrorist attack or natural disaster.”

In addition, past Proposition 42 diversions are to be considered loans and repaid over 15 years. “That sounds good,” said John Ristow, a highway planner with the VTA, of the repayment pledge. “Just don't bank on it. Right now the state is broke.”