

# SAN JOAQUIN VALLEY COMMUNITY PROJECT FUNDING REQUESTS & PENDING FEDERAL GRANT APPLICATIONS

## Community Project Funding Requests

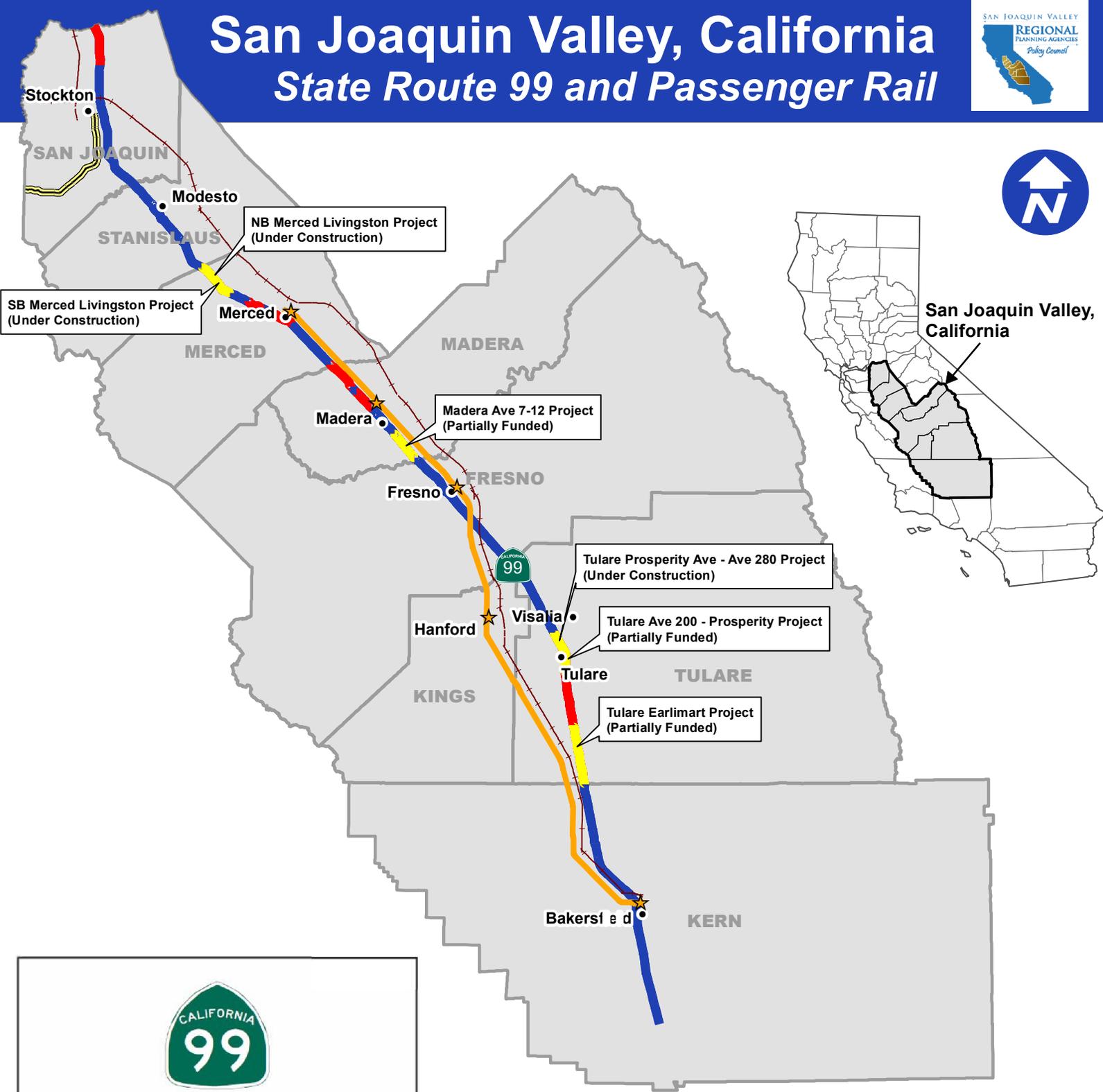
1. San Joaquin County, SR 99/120 Connector
2. Stanislaus County, State Route 132 West
3. Merced County, YARTS
4. Madera County, SR 41 Expressway
5. San Joaquin Regional Rail Commission/SJJPA  
Rail Academy  
Hanford Amtrak
6. City of Fresno, Airport Improvements
7. Kings County, Regional Multimodal Transit Center

## Pending Federal Grant Applications

1. SJJPA Madera HSR Station
2. Madera County, SR 41 Expressway

# San Joaquin Valley, California

## State Route 99 and Passenger Rail



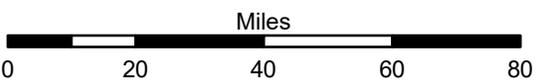
**274 Total Miles**

*(San Joaquin County Line to South of Bakersfield I-5 Merge)*

**82.3 Miles Partially Funded,  
Under Construction or Incomplete**

**14 – Number of  
Dangerous Bottlenecks**

- █ SR 99 Incomplete (4 Lanes) - 43.5 mi
- █ SR99 Partially Funded/Under Construction - 38.8 mi
- █ SR99 Complete (6 lanes or more) - 191.7 mi
- █ High Speed Rail (HSR) - 171 mi (Merced to Bakersfield)
- ★ HSR Station
- ▬▬▬ Altamont Corridor Express (ACE)
- + + + San Joaquin Amtrak



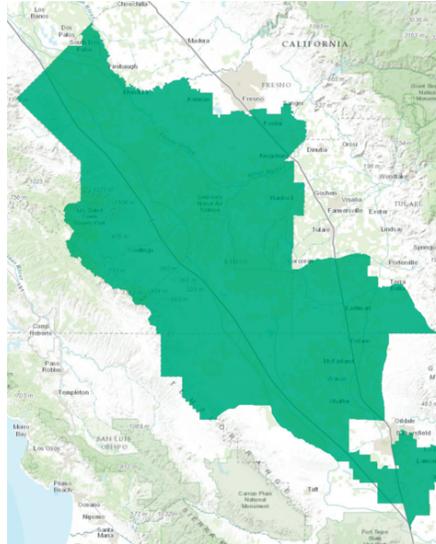
Sources: Esri, USGS, NOAA



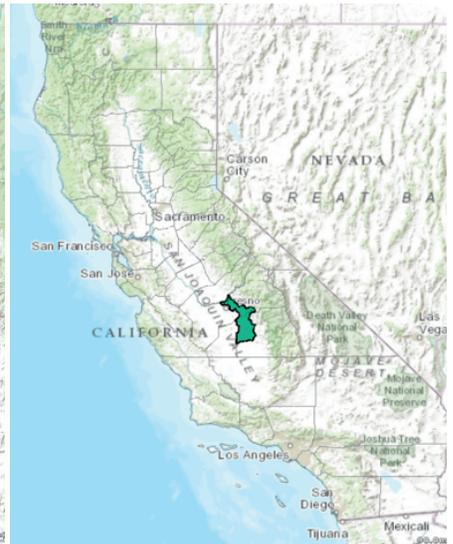
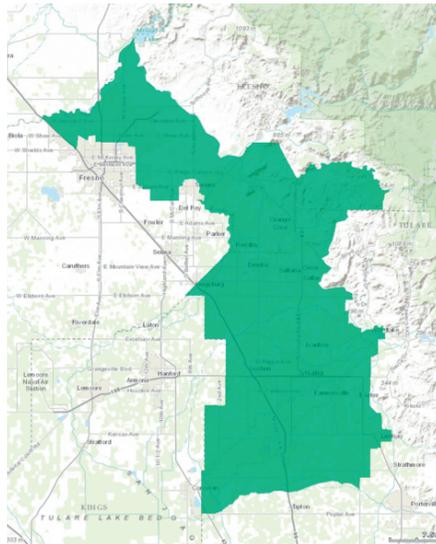




David Valadao  
District 21



Connie Conway  
District 22



Kevin McCarthy  
District 23



## EPA disapproval or inaction can result in devastating consequences to public health and the economy:

- › Clean Air Act penalties and sanctions, including loss of transportation funds (billions of dollars and thousands of jobs), loss of local control through Federal Implementation Plans, and permitting barriers on new and modified sources
- › Regulatory uncertainty leading to inefficiencies, confusion for agencies and stakeholders, and missed emission reduction opportunities
- › Inequity in addressing air quality/public health challenge given significance of federal mobile sources and threat of sanctions imposed solely on regions

TOPIC	ISSUE	RECOMMENDED FEDERAL ACTION
<b>2012 PM2.5 Standard</b>	<ul style="list-style-type: none"> <li>› District/CARB have adopted numerous State Implementation Plans for 2012 Standard</li> <li>› District/CARB have adopted stringent measures on industrial/mobile sources</li> <li>› EPA has proposed full approval of Plan in December 2021 (except for contingencies)</li> <li>› EPA currently in litigation regarding lack of timely action on SIP</li> </ul>	<ul style="list-style-type: none"> <li>› EPA: Finalize the proposed approval of the 2018 PM2.5 Plan for the 2012 PM2.5 Standard</li> </ul>
<b>1997 PM2.5 Standard</b>	<ul style="list-style-type: none"> <li>› District/CARB have adopted numerous State Implementation Plans for 1997 Standard</li> <li>› District/CARB have adopted stringent measures on industrial/mobile sources</li> <li>› San Joaquin Valley now meets the 24-hour standard, and likely meets annual standard (one air monitor location with siting issues at Bakersfield airport/helicopter landing site)</li> </ul>	<ul style="list-style-type: none"> <li>› EPA: Approve the 2018 PM2.5 Plan and 2021 SIP Revision for the 1997 PM2.5 Standard and evaluate attainment finding for annual standard</li> </ul>
<b>Clean Air Act Contingency Requirements</b>	<ul style="list-style-type: none"> <li>› Due to recent court rulings, regions across the nation are required to meet new, more stringent, and potentially unachievable contingency requirements under Clean Air Act</li> <li>› EPA has recently disapproved the District/CARB contingency submittals for ozone and PM2.5, triggering requirements for new contingency submittals</li> <li>› Contingency measures extremely challenging especially in nonattainment regions with mature air quality programs implementing all feasible measures (negative public health consequences of holding back measures, infeasibility of “automatic” triggers, and scarcity of measures meeting new definitions)</li> </ul>	<ul style="list-style-type: none"> <li>› EPA: Provide overdue guidance and take timely action on contingency SIP revisions – must establish framework for meeting contingency requirements without delaying public health benefits</li> <li>› EPA: Consider and provide additional contingency reductions from federal mobile sources</li> </ul>
<b>Need for Federal Mobile Source Emission Reductions</b>	<ul style="list-style-type: none"> <li>› Mobile sources now make up majority of criteria, air toxics, and GHG emissions in San Joaquin Valley and throughout nation</li> <li>› California/local emission reduction efforts continue to be critical, but cannot attain federal standards without significant mobile source reductions under federal jurisdiction (interstate heavy-duty trucks, locomotives, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>› Significant federal investment and actions needed in areas with most difficult air quality challenges to deploy clean, transformative fleet vehicle, equipment, and infrastructure technologies in freight, public fleet, passenger vehicle, agriculture, and other sectors</li> </ul>

## **SAN JOAQUIN VALLEY REGIONAL PLANNING AGENCIES POLICY COUNCIL VALLEY VOICE 2022**

### **LEGISLATIVE CONTEXT**

#### **About California's San Joaquin Valley**

California's San Joaquin Valley lies between the Sierra Nevada Mountain range to the east, the Tehachapi mountains to the south, the coastal ranges to the west and the Sacramento Valley to the north. The region is comprised of eight counties (San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, Tulare, and Kern) and 62 cities. Most of the Valley is rural and economically driven by agriculture and goods movement, with 25 percent of the nation's food supply coming from the region. However, a significant proportion of its residents reside in urban areas, most of which are along the major transportation corridors. The Valley is also home to 23 of the 30 most disadvantaged communities in California. The Valley is currently home to more than four million people, which is about 10 percent of the state's population. However, by 2060, it is estimated that the region will be home to 5.7 million people, a 44 percent increase in population compared to 21 percent for California during the same time period. These growth projections promise to challenge an already stressed regional transportation network, but also provide tremendous opportunity for state and federal investments.

#### **About the San Joaquin Valley Regional Policy Council**

The San Joaquin Valley Regional Policy Council is a partnership that exemplifies the regional transportation planning agencies' commitment to working collaboratively to address regional issues, challenges, and opportunities. The Policy Council was established to build consensus and provide a forum for the Valley to organize, coordinate, and communicate as a region. The Policy Council consists of two elected officials from each of the eight regional planning agencies' policy boards, as well as the Executive Director of the San Joaquin Valley Air Pollution Control District and the San Joaquin Joint Powers Authority (SJJPA).

Valley Voice is the Policy Council's advocacy program that communicates regional priorities to policymakers and agency staff in Sacramento and Washington, DC. Each year for over a decade, a coalition of elected officials and COG staff travel to Sacramento and Washington, DC to advocate on behalf of the Valley with a unified voice. We appreciate the opportunity to engage with federal and state partners.

#### **Introduction / Background**

President Joseph R. Biden advanced an ambitious domestic policy agenda during the 117<sup>th</sup> Congress that resulted in the enactment of the *Bipartisan Infrastructure Law* (Public Law 117-58) and the *Inflation Reduction Act* (P.L. 117-169). As the Biden-Harris Administration prepares for implementation of those new laws and newly authorized programs, this document outlines priority projects and policy requests from the San Joaquin Valley. The document also highlights Community Project Funding (CPF) and Congressionally Directed Spending (CDS) proposals of regional significance under consideration by lawmakers during the Fiscal Year (FY) 2023 budget and appropriations process.

#### **Inflation Reduction Act of 2022**

President Biden recently signed the *Inflation Reduction Act of 2022* into law. The climate, healthcare, and tax package will generate \$737 billion in new revenue and provide \$437 billion worth of new investments and incentives. Those figures include \$369 billion to address climate change and enhance energy security and \$4 billion to address drought in the western United States, including California. The Finance Committee title includes provisions to make many tax credits authorized by the law refundable for local governments and certain other public or nonprofit entities. Noteworthy provisions include: new discretionary or competitive programs like the Federal Highway Administration (FHWA) Neighborhood Access and Equity Grant Program; FHWA funding to facilitate environmental reviews and encourage the use of low-carbon transportation materials; Environmental Protection Agency (EPA) programs to address air pollution and

reduce greenhouse gas emissions; and loans and grants administered by the U.S. Department of Energy (DOE) to support electric transmission. The package will reduce the deficit by \$300 billion.

### **Bipartisan Infrastructure Law**

President Biden signed the *Bipartisan Infrastructure Law* (P.L. 117-58), also known as the *Infrastructure Investment and Jobs Act*, into law back on November 15, 2022, authorizing \$1.2 trillion over Fiscal Years (FY) 2022 through FY 2026 for transportation, climate and resiliency, energy, broadband, and water infrastructure programs. As of July 2022, federal agencies have announced \$9.2 billion in funding from the law for the State of California. This includes \$8 billion for roads, bridges, public transit, ports, and airports; over \$609 million for clean water infrastructure; and \$34 million for grid resiliency. Agencies have also identified at least 250 specific projects for funding, such as the BF Sisk Dam Safety project in the Central Valley. The Administration is approaching the one-year mark following enactment this November.

We thank the Biden-Harris Administration and lawmakers on Capitol Hill for their leadership in passing the BIL. We look forward to working with federal partners to leverage these resources to make meaningful investments in our community. In follow-up to our 2021 Valley Voice efforts, we were heartened by robust investments in the law for goods movement, electric vehicles, and emissions reduction efforts. We are working with our partners in the State of California as they administer the following formula programs at the local level for Fiscal Year (FY) 2022:

- \$106.7 million for the Carbon Reduction Program (CRP) and sub-allocations from the program to local governments;
- \$121.3 million for the Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Program to enhance transportation resiliency;
- \$56.8 million for the National Electric Vehicle Infrastructure (NEVI) Formula Program;
- \$574.8 billion for the Bridge Formula Program (BFP) and set-asides for off-system bridges; and
- \$4.6 billion for existing Federal-Aid Highway Programs (FAHP), such as the Surface Transportation Block Grant (STBG) Program and Congestion Mitigation and Air Quality (CMAQ) Improvement Program.

Our member agencies, such as the Tulare County Association of Governments, also plan to seek funding through the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF) that were enhanced with new funding from the BIL. Local governments within our region such as the City of Lindsay are also considering various federal funding streams for water source, surface water, groundwater, and well projects. We continue to work with our partners in the State of California to implement the following new water infrastructure investments in FY 2022:

- \$158.7 million for the DWSRF General Fund;
- \$250.1 million for the DWSRF Lead Service Line (LSL) Replacement set-aside;
- \$66.6 million for the DWSRF Emerging Contaminants set-aside;
- \$127.2 million for the CWSRF General Fund; and
- \$6.7 million for the CWSRF Emerging Contaminants set-aside.

### **CHIPS and Science Act of 2022**

President Biden signed the *Chips and Science Act of 2022* (P.L. 117-167) into law in August 2022. The \$280 billion innovation and competitiveness package will provide \$170 billion for manufacturing, workforce development, economic development, and other research and development programs. The law authorizes a variety of resources accessible to local and regional governmental entities to support those initiatives.

### **Water Resources Development Act of 2022**

Lawmakers in the House of Representatives and the Senate are still negotiating the final contours of the *Water Resources Development Act of 2022* (WRDA 2022). The House passed its WRDA 2022 legislation

in June. It would update national water infrastructure policy and authorize the U.S. Army Corps of Engineers (USACE) to conduct 72 new feasibility studies, expedite the completion of 15 feasibility studies, and construct 16 new water infrastructure projects. In late July, the Senate passed its WRDA 2022 legislation (H.R. 7776) as a Substitute Amendment to the House bill. The bill now heads back to the lower chamber for a final vote to accept the Senate's changes or begin conference discussions to reconcile differences before it can be sent to President Biden for signature.

## **Fiscal Year 2023 Budget and Appropriations**

Appropriators in the House and Senate continue their efforts to negotiate a Fiscal Year (FY) 2023 budget agreement before September 30, 2022. Lawmakers are still negotiating topline spending levels for all twelve annual spending bills. Those measures include Community Project Funding (CPF) and Congressionally Directed Spending (CDS) requests under consideration, including surface transportation projects in the Transportation, and Housing and Urban Development spending bill and water infrastructure projects in the Interior, Environment, and Related Agencies spending bill. Additionally, given the fact that workforce development and job training investments were largely overlooked in the *Bipartisan Infrastructure Law* and the *Inflation Reduction Act*, we encourage lawmakers to increase levels of funding through the FY 2023 budget and appropriations process to address the multitude of needs for our regional workforce.

## **Implementation of the Inflation Reduction Act**

We appreciate robust investments to promote resiliency as included in the *Inflation Reduction Act of 2022*. The law recognizes the need to reduce greenhouse gas (GHG) emissions stemming from transportation infrastructure and other sources to improve air quality in the Central Valley. We look forward to working with the Administration as agencies implement new programs to mitigate pollution, address drought, increase the use of sustainable fuels and materials, strengthen the grid, and expedite project permitting.

## **State Route 99**

Due to its location in the center of the State with 31,000 road miles, more than the San Francisco Bay Area and Sacramento region combined, the San Joaquin Valley is a major generator of economic activity and transportation corridor between California cities to and from western seaports and in-land ports. Goods movement has become an increasingly important transportation, economic, and environment issue for the eight counties in the San Joaquin Valley. Our dominant industries include agriculture, food production, and energy and construction, among many others. The critical role that the San Joaquin Valley plays in California and the nation's food supply will continue to require an effective goods movement system to distribute and export products quickly and efficiently.

State Route (SR) 99, also known as the backbone of California—is a major goods movement state highway connecting southern California to northern California through the major cities of the San Joaquin Valley. SR 99 is on the National Primary Freight Network and has higher than average truck volumes. Lack of capacity for SR 99 results in congestion, fatal accidents, and poor air quality. The Valley Voice delegation encourages Congress and the Administration to support robust federal investments for this critical corridor. We ask for support for the following key segments and connections to SR 99 that have been identified as priorities for the Policy Council in the year ahead:

- 1) Tulare County, Tulare City SR 99 Safety and Goods Movement and Paige Ave Interchange and Multi-modal Improvements, \$137 million (Conway – CA-22)
- 2) Kern County, SR 99/58 Southwest U.S. Goods Movement Freeway Connector through Bakersfield, \$80 million (McCarthy – CA-23)
- 3) Fresno County, South Fresno SR 99 Corridor Project Interchange, \$80 million (Costa – CA-16 / Valadao – CA-21)

## **Rail**

California is making significant investments in intercity passenger, commuter, and freight rail, and the Valley Voice delegation supports new federal investments for rail as included in the *Bipartisan Infrastructure Law* (P.L. 1117-58). Modernizing the state's passenger rail system will reduce emissions by enabling more Californians to switch from driving and flying to traveling by clean, fast, and efficient rail service; open freight capacity to enhance the flow of goods from our fields and ports; connect regional economies; and sustain an innovative regional economy that will help drive America's competitiveness. The Valley Voice delegation encourages Congress and the Administration to support federal investments in projects that will enhance intercity passenger rail in the Central Valley, maintain short line rail corridors, and improve last-mile connectivity. We also support investments in new inland ports to keep pace with goods movement demands. These include the following pending federal grant application, Community Project Funding (CPF)/Congressionally Directed Spending (CDS) requests, and other key projects from the Central Valley:

### **Pending Federal Grants**

- 1) The California Department of Transportation and San Joaquin Joint Powers Authority's application for \$87.6 million in Multimodal Project Discretionary Grant (MPDG) funding for the \$146 million Madera High-Speed Rail Station project. This project will improve and expand the size of the previously-relocated Madera passenger rail station and provide a high-speed rail (HSR) station for California HSR Interim Service to serve Madera County and Northern Fresno County (Costa – CA-16).

### **Community Project Funding/Congressionally Directed Spending Requests**

- 1) San Joaquin Regional Rail Commission seeking \$1.5 million for the Rail Academy of Central California – Rail/Transit Workforce Development Program (McNerney – CA-09); and
- 2) San Joaquin Joint Powers Authority seeking \$2.1 million for the Amtrak Hanford Station project (Padilla).

### **Other Key Projects**

- 1) The \$133.4 million Union Pacific (Fresno Subdivision) Ceres to Turlock Double Tracking Project sponsored by the San Joaquin Regional Rail Commission. This project will construct a new, second mainline track and complete track upgrades on a portion of the Union Pacific Railroad (UPRR) Fresno Subdivision between milepost (MP) 1117.4 in Ceres and MP 128.2 in Turlock, including culvert, under crossing, and at-grade crossing improvements (Harder – CA-10).
- 2) The North Lathrop Transfer Station and Lathrop Wye Project sponsored by the San Joaquin Regional Rail Commission. This project will enable Altamont Corridor Express (ACE) passengers on trains traveling between Ceres/Merced and Sacramento to be able to transfer at the North Lathrop Station to ACE trains heading to Silicon Valley (McNerney – CA-09).

### **Budget and Appropriations**

#### **Community Project Funding Requests**

The Valley Voice delegation welcomes the restoration of Community Project Funding (CPF) and Congressionally Directed Spending (CDS) through the annual budget and appropriations process.

### **FY 2022 Accomplishments – Thank You!**

The Policy Council is grateful to Members of our Congressional delegation who successfully secured funding for the following local projects of regional significance for the Valley with enactment of the *Consolidated Appropriations Act, 2022* (P.L. 117-103):

- 1) \$2 million for the Merced County Courthouse Museum Facility Repairs project requested by Merced County through the Transportation, Housing and Urban Development, and Related Agencies appropriations bill (Costa – CA-16);

- 2) \$3.5 million for the Sewer Trunk Main Rehabilitation Project requested the City of Madera through the Interior, Environment, and Related Agencies appropriations bill (Costa – CA-16);
- 3) \$279,664 for the Water Plant Clarifier Replacement project requested by the City of Dos Palos through the Interior, Environment, and Related Agencies appropriations bill (Costa – CA-16);
- 4) \$950,000 for the Water Loop Line Completion project requested by the City of Gustine through the Interior, Environment, and Related Agencies appropriations bill (Costa – CA-16 / Feinstein / Padilla);
- 5) \$1.5 million for the North Lathrop Multi-Modal Transfer Station project requested by the San Joaquin Regional Rail Commission through the Transportation, Housing and Urban Development, and Related Agencies appropriations bill (McNerney – CA-09);
- 6) \$1.5 million for the ACE Locomotive Zero Emission Engine Conversion Project requested by the San Joaquin Regional Rail Commission through the Transportation, Housing and Urban Development, and Related Agencies appropriations bill (McNerney – CA-09 / Padilla); and
- 7) \$4.485 million for the Manteca Station Rider Safety Improvement and Station Modernization project requested by the San Joaquin Regional Rail Commission (Harder – CA-10).

### **FY 2023 Pending Requests**

We appreciate that lawmakers have agreed to consider CPF and CDS requests submitted by Members of Congress in the FY 2023 appropriations cycle. We urge Members of the Congressional delegation to work to ensure that the following surface transportation projects are ultimately funded in any final agreement on the FY 2023 Transportation, and Housing and Urban Development, and Related Agencies spending bill:

- 1) San Joaquin Regional Rail Commission seeking \$1.5 million for the Rail Academy of Central California – Rail/Transit Workforce Development Program (McNerney – CA-09);
- 2) San Joaquin Council of Governments seeking \$7 million for the State Route 99/120 Connector Project Phase 1B (McNerney – CA-09 / Harder – CA-10);
- 3) Stanislaus Council of Government seeking \$7 million for the State Route 132 West Project Phase 2 project (Harder – CA-10);
- 4) Merced County Association of Governments seeking \$3.86 million for the Yosemite Area Regional Transportation System (YARTS) Fleet Replacement Project (Costa – CA-16);
- 5) Madera County seeking \$1.95 million for the State Route 41 Expressway project (Costa – CA-16); and
- 6) City of Fresno – Airports Division seeking \$4.4 million for the FAT Runway 11L-29R Reconstruction Project (Costa – CA-16);
- 7) Kings County Area Public Transit Agency seeking \$5 million for the Kings County Regional Multi-Modal Transit Center project (Valadao – CA-21); and
- 8) San Joaquin Joint Powers Authority seeking \$2.1 million for the Amtrak Hanford Station project (Padilla).

We urge lawmakers to ensure that the following water infrastructure projects from the Valley are ultimately funded in any final agreement on the FY 2023 Interior, Environment, and Related Agencies spending bill:

- 1) Stanislaus County seeking \$3.5 million for the Crows Landing Water Wells project (Harder – CA10);
- 2) City of Ripon seeking \$3.5 million for the SSJID Surface Water Connection Project (Harder – CA-10);
- 3) City of Atwater seeking \$3 million for the Buhach Road and Gurr Road Utility Expansion project (Costa – CA-16);
- 4) City of McFarland seeking \$5 million for the McFarland Wastewater Treatment Plant Expansion Project (Valadao – CA-21);
- 5) City of Fowler seeking \$3 million for the Fowler New Well and System Interconnection for Drought Resiliency Project (Valadao – CA-21);
- 6) Allensworth Community Services District seeking \$150,000 for the Allensworth Well Solar Array project (Feinstein/Padilla)
- 7) City of Modesto seeking \$1.75 million for the Grayson Well and Tank Replacement project (Feinstein/Padilla);

- 8) City of Tulare seeking \$500,000 for the Water Delivery System project (Feinstein/Padilla);
- 9) Tulare County seeking \$200,000 for the Drinking Water Kiosks project (Feinstein/Padilla);
- 10) Woodville Public Utility District seeking \$1.15 million for the Woodville PUD Well No. 4 Replacement project (Feinstein/Padilla); and
- 11) City of Dinuba seeking \$1.5 million for the Well 21 Construction project (Padilla).

### **Pending Federal Grant Applications**

The Valley Voice delegation encourages Congress and the Administration's support for the following projects seeking federal grant assistance through the Multimodal Project Discretionary Grant (MPDG) Program administered by the U.S. Department of Transportation (DOT):

- 1) The California Department of Transportation and San Joaquin Joint Powers Authority's application for \$87.6 million in funding for the \$146 million Madera High-Speed Rail Station project. This project will improve and expand the size of the previously-relocated Madera passenger rail station and provide a high-speed rail (HSR) station for California HSR Interim Service to serve Madera County and Northern Fresno County (Costa – CA-16).
- 2) Madera County's application for \$39 million in funding for the Madera 41 Expressway project. This project proposes to improve 6.1 miles of State Route 41 to a four-lane expressway from 0.8 mile south of the Avenue 11 undercrossing to 1.4 miles north of Avenue 15 (post miles R1.5 to 7.6) in Madera County (Costa – CA-16).

### **Other Key Projects**

The Valley Voice delegation urges support from the Administration and Congress for the following key projects in the Central Valley:

- 1) The \$133.4 million Union Pacific (Fresno Subdivision) Ceres to Turlock Double Tracking Project sponsored by the San Joaquin Regional Rail Commission. This project will construct a new, second mainline track and complete track upgrades on a portion of the Union Pacific Railroad (UPRR) Fresno Subdivision between milepost (MP) 1117.4 in Ceres and MP 128.2 in Turlock, including culvert, under crossing, and at-grade crossing improvements (Harder – CA-10).
- 2) The North Lathrop Transfer Station and Lathrop Wye Project sponsored by the San Joaquin Regional Rail Commission. This project will enable Altamont Corridor Express (ACE) passengers on trains traveling between Ceres/Merced and Sacramento to be able to transfer at the North Lathrop Station to ACE trains heading to Silicon Valley (McNerney – CA-09).
- 3) The Southwest U.S. Goods Movement Freeway Connector through Bakersfield on State Routes 58 & 99 project sponsored by the Kern Council of Governments. This project would construct a connector from eastbound State Route 58 to northbound State Route 99, adding a ramp movement where none currently exists and building two bridges (McCarthy – CA-23).
- 4) The \$15.7 billion California Inland Port Project sponsored by the Fresno Council of Governments. Upon completion, the California Inland Port will be a multimodal network of integrated clean and highly efficient truck, rail, and cargo facilities that will underpin a next-generation ecosystem of goods movement and radically boost the economic competitiveness of California's economy (Rep. McClintock – CA-04 / Rep. McNerney – CA-09 / Rep. Harder – CA-10 / Rep. Costa – CA-16 / Rep. Valadao – CA-21 / Rep. Conway – CA-22 / Rep. McCarthy – CA-23)

### **Buy America Waivers**

The Buy America provisions of the *Bipartisan Infrastructure Law* (P.L. 117-58) state that the head of each federal agency must ensure that "none of the funds made available for a Federal financial assistance program for infrastructure...may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." While the San Joaquin Valley supports the tenets of the *Build America, Buy America Act*, a common-sense application of the provisions in regulation is needed to ensure project delivery is not delayed.

For example, necessary components of electric vehicles such as refuse trucks are often not manufactured domestically due to the production costs or resource availability. As a result, recipients such as the Tulare County Association of Governments are unable to deliver electrification projects on time under programs such as the Federal Highway Administration (FHWA) Congestion Mitigation and Air Quality Improvement (CMAQ) program without a Buy America waiver to receive funds for the purchase of certain vehicles or materials. The Madera County Transportation Commission has also not been able to authorize new vehicle projects under the CMAQ program without additional Buy America Vehicle Waivers from FHWA. Additionally, the Fresno Council of Governments has been unable to complete eight compressed natural gas (CNG) school bus and street sweeper projects under the CMAQ program totaling \$3.3 million, with some projects pending since 2015.

Therefore, the San Joaquin Valley recommends that (1) FHWA and the Federal Transit Administration (FTA) are consistent in the implementation of agency waivers to the *Build America, Buy America Act* as outlined in recent guidance issued by the White House Office of Management and Budget (OMB) to ensure transportation projects are progressing without significant delays; and (2) these agencies develop clear guidelines on exceptions to create a consistent nationwide application of rules at the federal level. We support the temporary waiver of Buy America requirements for construction materials issued by FHWA to reduce the burden, delays, and resources expended over small percentages of materials.

We encourage FHWA and FTA to expedite the review and approval of Buy America waiver requests from the San Joaquin Valley as quickly as possible. If Buy America waivers are not reviewed or approved in a timely manner, grant recipients may be forced to forfeit their awards and be unable to leverage federal funding toward their projects. We request that FHWA and FTA review the following Buy America waiver requests that have been submitted from the San Joaquin Valley, and that the determinations be published in the *Federal Register* as soon as possible.

### **Water Infrastructure**

The San Joaquin Valley's growing population and expanding economy demands a safe, reliable, and consistent drinking water supply. The Valley's growth rate is projected to be 65 percent higher than the state average. Many residents of the Central Valley continue to lack access to safe, affordable, and drought-resilient drinking water, and a growing number are drawing water from contaminated or depleted aquifers. Our nation's food supply and security also stem in large part from agriculture in the Central Valley and will be impacted significantly as a result of a result of minimal and inconsistent availability of water. It is critical that we work together with our federal partners to ensure adequate water supplies to support regional economic growth, retain a world-class agricultural economy, and maintain a reliable and high-quality water supply for our residents.

The Tulare County Association of Governments intends to seek funding from the U.S. Environmental Protection Agency (EPA) for the Tooleville Emergency Consolidation with the City of Exeter project through the Drinking Water State Revolving Fund (DWSRF). The project proposes a new well, tank, and appurtenances in Exeter with a connecting pipeline to Tooleville. We are working with our partners in the State of California to access new resources from the *Bipartisan Infrastructure Law* (P.L. 117-58) to support this project. Additionally, local governments within our region such as the City of Lindsay are considering various federal funding streams for water source, surface water, groundwater, and well projects. We also request additional federal investments in water storage to increase acre feet available to the Valley community throughout the year.

Next, we urge lawmakers to ensure that the following water infrastructure projects from the Central Valley are ultimately funded in any final agreement on the FY 2023 Interior, Environment, and Related Agencies spending bill:

- 1) Stanislaus County seeking \$3.5 million for the Crows Landing Water Wells project (Harder – CA-10);
- 2) City of Ripon seeking \$3.5 million for the SSJID Surface Water Connection Project (Harder – CA-10);

- 3) City of Atwater seeking \$3 million for the Buhach Road and Gurr Road Utility Expansion project (Costa – CA-16);
- 4) City of McFarland seeking \$5 million for the McFarland Wastewater Treatment Plant Expansion Project (Valadao – CA-21);
- 5) City of Fowler seeking \$3 million for the Fowler New Well and System Interconnection for Drought Resiliency Project (Valadao – CA-21);
- 6) Allensworth Community Services District seeking \$150,000 for the Allensworth Well Solar Array project (Feinstein/Padilla)
- 7) City of Modesto seeking \$1.75 million for the Grayson Well and Tank Replacement project (Feinstein/Padilla);
- 8) City of Tulare seeking \$500,000 for the Water Delivery System project (Feinstein/Padilla);
- 9) Tulare County seeking \$200,000 for the Drinking Water Kiosks project (Feinstein/Padilla);
- 10) Woodville Public Utility District seeking \$1.15 million for the Woodville PUD Well No. 4 Replacement project (Feinstein/Padilla); and
- 11) City of Dinuba seeking \$1.5 million for the Well 21 Construction project (Padilla).

Finally, the Valley Voice delegation is concerned about the ongoing process at the U.S. Department of the Interior (DOI) to reinitiate consultation on the 2019 Biological Opinions (BiOps) for water deliveries from the Central Valley Project (CVP) and State Water Project (SWP). The review of the 2020 Record of Decision (ROD), which was based on the latest science and developed in close coordination with the U.S. Fish and Wildlife Service (FWS), the National Marine Fisheries Service (NOAA Fisheries), and the California Department of Water Resources (DWR), has caused significant uncertainty for Valley farmers about the future of the regional water supply. A reversal of the 2019 BiOps would be detrimental to local communities in the Central Valley.

### **Air Quality**

The Valley Voice delegation urges the U.S. Environmental Protection Agency (EPA) to take timely action on State Implementation Plans (SIPs) adopted by the Central Valley and provide guidance on contingency SIP revisions under the *Clean Air Act (CAA)* in order to protect public health and avoid disruption to local projects and the economy. Disapproval or inaction can result in the loss of transportation funds, the loss of local control, and permitting barriers on new and modified sources. Specifically, we urge EPA to finalize the proposed approval of the 2018 PM<sub>2.5</sub> Plan for the 2012 PM<sub>2.5</sub> Standard, approve the 2018 PM<sub>2.5</sub> Plan and 2021 SIP Revision for the 1997 PM<sub>2.5</sub> Standard, and evaluate attainment funding for the annual standard. We also ask EPA to provide overdue guidance on contingency SIP revisions that establishes a framework for meeting contingency requirements without delaying public health benefits.

Next, we urge EPA to consider additional contingency reductions from federal mobile sources and provide significant federal investment for the deployment of clean vehicle, equipment, and infrastructure technologies in areas with the most difficult air quality challenges. Mobile sources now make up the majority of greenhouse gas (GHG) emissions in the San Joaquin Valley. However, local emission reduction efforts cannot achieve federal standards without significant mobile source reductions under federal jurisdiction.

Finally, in October 2021, EPA published final guidance on how state and local agencies should conduct hot-spot analyses to model the air quality impacts of certain highway and transit projects in PM<sub>2.5</sub> and PM<sub>10</sub> nonattainment and maintenance areas. The Valley Voice delegation is deeply concerned that new standards under the guidance will impede the delivery of critical infrastructure projects in the Central Valley. We respectfully request that EPA revisit the guidelines in partnership with local and regional agencies to: develop a clearer and more deliberative process for determining when a project is of local air quality concern; address the need to balance all project benefits, including both environmental and economic; take into consideration both regional/SIP conformity and project level conformity; and address technical issues with the PM hot-spot analysis.



## Project Level Conformity and Quantitative Hot-Spot Analyses

### Concern

Local transportation projects are being identified as “Projects of Air Quality Concern” (POAQC) despite not nearing annual average daily traffic (AADT) and percentage diesel fleet mix cited in EPA guidance. The process and factors used to determine that projects are of local air quality concern is unclear.

Furthermore, once a project is identified a POAQC, the quantitative PM hot-spot analysis results in a project-level conformity determination that does not consider other project benefits, such as local safety improvements or increased access to economic opportunities.

The Valley Voice delegation is deeply concerned about impeding the delivery of critical infrastructure projects in the San Joaquin Valley. Our region has been successful with qualitative analyses that have, on previous projects, provided us the opportunity to mitigate project-level impacts from vital projects with co-equal economic and environmental benefits – allowing us to achieve regional air quality improvement and economic progress in one of the nation’s most economically depressed regions.

### Request

We respectfully request revisiting the guidelines in partnership with local and regional agencies to:

- Develop a clearer and more deliberative process for determining when a project is of local air quality concern. For example, identify the proposed POAQC determination with clear determinant factors to the Interagency Consultation group, and include an opportunity for a formal review and discussion prior to any POAQC determination being made.
- Address the need to balance all project benefits including environmental and economic progress.
- Take into consideration both regional/State Implementation Plan (SIP) conformity and project level conformity. Projects included in a conforming transportation plan have already met the regional requirement that no project contained in the Regional Transportation Plan (RTP) will worsen air quality in the subregion under analysis.
- Address technical issues within the PM hot-spot analysis including:
  - Develop alternative methods of measuring background pollutant levels when coverage of ambient monitoring stations is sparse and not representative of the project site. For example, in Merced County there are 2 monitors within a 5-8 mile distance from a project area being analyzed, and these are not representative of the rural land use conditions of the project site.
  - Apply the emissions reductions that will result from the stringent control measures adopted in the SIP to the projected future background concentrations.
  - Address how emissions from exceptional events flagged in the SJVAPCD’s Monitoring Plan can be removed from the analysis (e.g. forest fires).

### Contact

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