



# US 395 Investment Strategy

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# COALITION

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With Help From:



Submitted to:



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## Purpose

The purpose of this Investment Plan is to identify appropriate revenue sources necessary to implement all or part of the projects identified as part of the US 395 Coalition process. In addition, this plan will identify the planning steps required to bring a project from concept to construction. This plan builds on significant work done on the US 395 corridor to date and inform the Investment Plan. They include:

- US 395 Coalition and Implementation Plan – Mark Thomas – August 2020
- US 395 Strategic Corridor Investment Analysis – California State University Sacramento Department of Economics – November 2021
- Safety Analysis and Evaluation of Current Conditions and Future Expansion of US 395 in Lassen County – California State University Sacramento Department of Engineering – November 2021
- US 395 Passing Lanes Technical Memorandum (Nevada border to SR 36 junction) – Mark Thomas – January 2022

These Technical Studies are included as Attachments 1-4 respectively.

Combined, these documents represent a wealth of technical data and analysis on which to identify and promote any of a number of projects on the US 395 corridor in Lassen County. By reference these documents provide ample information on:

- Coalition Members and Commitments
- Goals and Objectives
- Existing Conditions: Analysis of existing conditions, land use, plans, safety data, studies
- Summary of Community Engagement
- Environmental Opportunities and Constraints, including a map
- Existing Right of Way and Potential Needs
- Cross Section and Intersection Design Options
- Cost Estimates for Project Development, Right of Way and Construction

This investment plan will focus on the available financing instruments available to fund all or some of the projects identified, as well as the political/institutional pathways that will need to be navigated.

## Introduction

US 395 is the primary north-south corridor through eastern California and is the only north-south route through Southern Lassen County. US 395 from 20 miles north of Reno, Nevada to Susanville, California is a conventional two-lane highway, with limited passing opportunities. In addition, US 395 is the fastest trucking connection between Reno and the Pacific Northwest. This segment of US 395 is the focus of this plan and is herein referred to as the “Study Corridor” throughout the rest of this report.



Figure 1 - US 395 Study Limits

This funding plan and project implementation strategy is the culmination of a multi-year effort to identify improvements to the US 395 Corridor from Hallelujah Junction to SR 36 near Susanville and provide a baseline project definition.

The first significant step in this effort was the development of a Transportation Concept Report (TCR) completed by Caltrans District 2 in 2017 (see Attachment 5), which recommends widening US 395 to a four-lane divided expressway from in the study corridor.

Based on the TCR, the Lassen County Transportation Commission funded the US 395 Coalition and Implementation Plan to form a multi-jurisdiction, multi-state Coalition advocating for the improvement of US 395 Corridor from Hallelujah Junction to SR 36 near Susanville and provide baseline analysis for the improvements described in the TCR. It included the following elements:

- Coalition Members and Commitments
- Goals and Objectives
- Existing Conditions: Analysis of existing conditions, land use, plans, safety data, studies
- Summary of Community Engagement
- Environmental Opportunities and Constraints, including a map
- Existing Right of Way and Potential Needs
- Cross Section and Intersection Design Options
- Cost Estimates for Project Development, Right of Way and Construction
- Financial Analysis
- Political Analysis

The Implementation Plan was finished in August 2020.

Concurrent with the development of the Implementation Plan, regional stakeholder critical to forming the US 395 Coalition were contacted and engaged in a series of meetings. In addition, community workshops were held along the US 395 corridor in the study area. To help promote and build the coalition, stakeholder calls and meetings were held starting on December 6, 2018. Following that meeting, organizational calls occurred between key original stakeholders on a monthly basis. To formally kick off the US 395 Coalition building effort, in-person meetings were held at critical points in the development of the coalition and included:

- January 24, 2019 – Organizational Meeting with Washoe County staff to discuss partnering as lead agencies on the development of the coalition.
- February 26, 2019 – Presentation to the Washoe County Board of Commissioners on the coalition.
- January 23, 2020 – US 395 Seminar which served as the official “launch” of the coalition.

Since the launch of the coalition in January 2020, monthly stakeholder meetings have been held to discuss the initial organization and goals of the coalition. The advent of Covid, had a somewhat chilling effect on Coalition activity and growth during the balance of 2020, through 2021 and into 2022, restricting meetings to on-line access only. Recently, in-person meetings have begun (May 2022) and are planned for an every-other-month cycle. The current roster of Coalition members is included at the end of this document.

In 2019 the LCTC received a Strategic Partnership grant to continue the efforts to study US 395. There were two principal studies to be undertaken as part of the second phase effort. They consisted of a safety analysis and an economic analysis, both based on the concept of developing the four-lane highway described in the US 395 Coalition and Implementation Plan. Both were intended to further build the foundational elements necessary to seek funding of the improvements.

The Safety & Current Conditions Analysis and Evaluation of Future Expansion of US 395 was conducted by the Engineering Department at California State University of Sacramento. It examined in detail the existing and predicted safety along US 395 in the project area. The study compares these results with similar roadway like State Route 70 in Butte County which recently received State funding for improvements like those anticipated for US 395.

The US 395 Strategic Corridor Investment Analysis was conducted by the Department of Economics at California State University of Sacramento. It examined the existing and predicted economic costs and more importantly benefits along US 395 associated with improvements described in Caltrans Highway Concept Report.

Both studies were completed in early 2021.

One outcome of the safety study was the development of a second, safety related proposal that would build 11 additional passing lanes in the project area. The passing lane proposal was seen as a shorter-term solution to address the increasing safety issues on US 395, with the intention of providing frequent and regular passing opportunities that reduce the need for passing in the oncoming travel lane. The US 395 Passing Lane Technical Memorandum was finished in early 2022 and include basic descriptions of the passing lane locations, length, typical cross-section, and cost.

## Outcomes of Technical Analysis

As previously mentioned, there is a wealth of data and technical analysis in the plans and studies described above. Below are the major findings of each:

### *US 395 Coalition and Implementation Plan*

#### 4-lane US 395 from Hallelujah Junction (SR 70) to Susanville

- Eliminates most if not all auto truck conflicts from passing
- Reduce overall travel time along corridor
- Safer for motorists and commuters to the facilities in Herlong and for thru traffic from Reno to Susanville and points north
- Insufficient ROW along most of corridor
- Years/decades for planning, engineering, and environmental compliance
- Cost - \$680 million

### *US 395 Strategic Corridor Investment Analysis – Economic Study*

#### Growing sectors: Professional/Business Services

- Declining sectors: Natural Resources/Mining, Information Services, Finance Services, Leisure/Hospitality
- Base industries are farming and government sectors
- Expansion of US 395 will lead to approximately 140 additional jobs
- Expansion of US 395 will lead to a yearly increase in GDP of approximately \$9 million
- Expansion of US 395 will lead to yearly State and Local Tax Revenues greater than \$1 million
- User benefits include over 6000 hours total time savings, over \$130,000 in reliability, and over \$2.4 million in safety improvements per year
- Recommend diversifying economy bundled with US 395 expansion

### *US 395 Safety Analysis and Evaluation*

- All four segments in the study area should expect to see safety improvements from the proposed project. Segment 1 and 2 (closest to SR 70) will see significant improvements. Segment 3 (a short segment near Janesville with a higher concentration of accidents) should be a priority as well.
- Truck traffic volume are anticipated to increase over time, and therefore collisions with autos and small trucks will increase as well.
- Targeted sub sections in the project area would benefit from specific safety countermeasures, such as new passing lanes, intersection treatments, roadside improvements, etc. Such countermeasures may provide short-term and quick cost-effective safety improvements benefiting the region as a whole.

### *US 395 Passing Lanes Technical Memorandum*

#### Strategic passing lanes

- Adds 11 new passing lanes to corridor
- Reduces potential auto truck conflicts by providing regular passing opportunities (approximately every 5 miles)
- Can piggy-back on existing Caltrans SHOPP projects in the corridor (construction 2027)
- Cost – Approximately \$68 million
- Not a long-term fix of what is expected to be a growing problem (increasing truck traffic in corridor)
- Does not satisfy Caltrans long-term planning objective (2017 Transportation Concept Report)



## Investment Strategy

Before funding can be brought to any capital project, a set of specific steps to develop a workable project are necessary. The work done to date, provides significant foundational information to start these studies. However significantly more technical data focused on environmental impacts, right of way and engineering are all required before any funding opportunity can be applied. In addition, there are a number of stakeholders with significant stakeholders with an interest in the corridor and improvements to 395 in the study area. They include:

- The Department of Defense with the Sierra Army Depot
- The State of California as the owner of US 395
- Lassen and Washoe Counties and road safety and efficiency
- The Governor's Office of Planning and Research as well as the California Transportation Commission have taken an interest in the proposal
- Private businesses in the Reno/Sparks area shipping goods up the US 395 corridor through Lassen County, as the corridor provides the most direct trucking access to/from Portland, Seattle and Vancouver.
- The US 395 corridor provides the most direct access between Lassen Volcanic National Park and all of the US east of the Rockies.

US 395 is also the only north south corridor on the eastern side of the Sierra Nevada, so serves as a route of significance for commerce and access when Interstate 80 and other highways are closed, and as an emergency evacuation route during extreme weather (and other natural) events.

Besides additional, granular, technical information that needs to be developed and translated into a next level planning/engineering plan, the role of these (and all stakeholders) needs to be brought to better focus.

Engaging stakeholders and developing the next level of planning documents are not necessarily exclusive of each other and can in some respects run on parallel tracks. Both efforts are likely to inform the other.

The steps described below are anticipated to be executed over the next 6 to 24 months.

## *Stakeholder Engagement*

COVID had a deleterious effect on stakeholder engagement and sustaining the US 395 Coalition that started just prior to its outbreak. In the past few months, as COVID restrictions have eased, the Coalition has re-engaged, and added new members and interests. Besides continuing this re-vitalization, the Coalition should be tasked with determining what a project for US 395 would look like (full 4-laning vs passing lanes for example). This would not preclude other projects in the corridor being evaluated, but it would focus limited resources on a project endorsed by all the major stakeholders. In addition, the Coalition should work to further identify projected needs of the corridor for the various stakeholders based on reasonable expectations for their organizations.

## *Technical Analysis*

As mentioned previously, significant technical analysis for any proposed project will be necessary before serious acquisition of funding can be achieved. In addition, the type of technical analysis that is done, by dictate the types of funding that might be applied to the project. Depending on the type of funding pursued the next level of analysis will be the development of a project study type of report. A Project Study Report is a specific type of technical document, and is would be the next step to receiving certain types of state funding. Most specifically funding through the State Transportation Improvement Program, or STIP. Other types of funding may call this document something different, but it will contain virtually the same information. The PSR by definition:

“Identifies the transportation problem and the alternatives that will be studied in order to make a decision on an appropriate solution. Because it is used as a decision-making document it must identify the key issues of the transportation problem, any major issues that should be investigated and the effort and resources that are needed to complete the studies and project approval process. It is designed so that the important information can be easily obtained from the PSR(PDS) text. The attachments should contain detailed information that is needed to support or clarify information in the body of the report. Information from detailed studies is summarized in the PSR(PDS), while actual studies with raw data (e.g., TASAS data) and detailed analysis are part of the project files.”

Whether the project ends up in the STIP, or uses other funding sources, the PSR or its equivalent, is an important next step in project development.

Once again, critical stakeholders (Caltrans, CTC, Lassen County, etc.) will need to engage to determine what path to engage in STIP vs other funding sources, and the scope of the project to be examined. This determination should be made in the next 2 to 8 months.

The current roster of US 395 Coalition participants is included as Attachment 6.

### *Funding Opportunities*

The following are a compilation of most of the significant funding opportunities that might be pursued as part of this effort. The information was developed by The Ferguson Group as part of their work on a previous planning effort for US 395 and has been augmented by them as new opportunities have come available, and to respond to the needs of the US 395 Coalition to date.

The 395 Coalition and this Investment Strategy must acknowledge that circumstances have changed significantly since the US 395 Transportation Concept Report was written. SB743 and the subsequent CEQA Vehicle Miles Traveled impact requirements, as well as Executive Order N-19-19 have changed how Caltrans views additional lanes being added to the state highway system in most cases. Any proposed projects will need to demonstrate alignment with the Climate Action Plan for Transportation Infrastructure (CAPTI) and other state policies and goals, and that Lassen County and the US 395 Coalition will have to work within that framework in order to successfully promote projects.

It is important to note that not all funding programs described will apply to this effort. However, since funding large capital projects sometimes requires creative financing, and it is unknown at this time, what Coalition stakeholder might bring funds to bear, it seems reasonable to include more funding information at this time.

Finally, this investment strategy, because of its funding source, applies to potential improvements to US 395 in Lassen County only. However, the Lassen County/California stakeholders in the US 395 Coalition, are dedicated to working with our Nevada based partners to advance projects on their side of the state line as this process moves forward.

### **Conclusion**

With the US 395 Coalition formed and the preliminary project defined, LCTC can continue the planning and development of the US 395 Corridor. The Coalition will continue providing advocacy for these much-needed improvements and seek financial opportunities to move the project forward.

## List of Attachments

- Attachment 1. US 395 Coalition and Implementation Plan -2020
- Attachment 2. US 395 Strategic Corridor Investment Strategy - 2021
- Attachment 3. Safety Analysis and Evaluation of Current Conditions and Future Expansion of US 395 in Lassen County - 2021
- Attachment 4. US 395 Passing Lane Technical Memorandum - 2022
- Attachment 5. US 395 Transportation Concept Report - 2017
- Attachment 6. US 395 Coalition Roster - 2022