Sierra County Board of Supervisors' Agenda Transmittal & Record of Proceedings

MEETING DATE: September 6, 2016	**TYPE OF AGENDA ITEM:** ☒Regular ☐Timed ☐Consent

DEPARTMENT: Department of Public Works and Transportation
APPROVING PARTY: Tim H. Beals
PHONE NUMBER: (530) 289-3201

AGENDA ITEM: Authorize letter of support of AB x1 26 and SB x1 1, joint transportation funding and reform package.

SUPPORTIVE DOCUMENTS ATTACHED: ☐Memo ☐Resolution ☐Agreement ☒Other
Draft Letter of Support.

BACKGROUND INFORMATION:

FUNDING SOURCE:
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: $ N/A

ARE ADDITIONAL PERSONNEL REQUIRED? ☐Yes, -- -- ☐No	**IS THIS ITEM ALLOCATED IN THE BUDGET?** ☐Yes ☐No **IS A BUDGET TRANSFER REQUIRED?** ☐Yes ☐No

SPACE BELOW FOR CLERK'S USE

BOARD ACTION: ☐Approved ☐Approved as amended ☐Adopted ☐Adopted as amended ☐Denied ☐Other ☐No Action Taken	☐Set public hearing For: _____ ☐Direction to: _____ ☐Referred to: _____ ☐Continued to: _____ ☐Authorization given to: _____	Resolution 2016- _____ Agreement 2016- _____ Ordinance _____ Vote: Ayes: Noes: Abstain: Absent: ☐By Consensus

COMMENTS:

_____ _____
CLERK TO THE BOARD DATE

Miriam Dines

From: Tim Beals
Sent: Monday, August 29, 2016 9:15 PM
To: Miriam Dines
Subject: FW: Sample Support Letter for Beall/Frazier Transportation Package
Attachments: Sample Support Letter AB x1 26 (Frazier) SBx1 1 (Beall).docx

For 9-6 BOS

From: Bryan Davey
Sent: Monday, August 29, 2016 2:27 PM
To: Tim Beals <tbeals@sierracounty.ca.gov>
Subject: FW: Sample Support Letter for Beall/Frazier Transportation Package

You may want to prompt the board to support this legislation as it looks like the best chance we will have to boost the Road fund. There are some issues with the legislation but overall it would add a couple million dollars to our roads.

Bryan
530-289-3201

From: Kiana Valentine [mailto:kvalentine@counties.org]
Sent: Friday, August 26, 2016 12:03 PM
To: Kiana Valentine <kvalentine@counties.org>
Cc: Chris Lee <clee@counties.org>; Merrin Gerety <mgerety@counties.org>; DeAnn Baker <dbaker@counties.org>
Subject: Sample Support Letter for Beall/Frazier Transportation Package

To: CEAC Transportation Committee

From: Kiana Valentine, CSAC Legislative Representative
Chris Lee, CSAC Legislative Analyst

Re: Sample Support Letter for Beall/Frazier Transportation Package

Attached is a sample support letter counties can use to express their support for AB x1 26 (Frazier) and SB x1 1 (Beall). Note the text highlighted in yellow needs customization. Most important is the section on your local infrastructure condition and needs.

Please let us know if you have any questions. We will keep you updated on our efforts on a transportation deal throughout the end of session next week.

From: Kiana Valentine
Sent: Wednesday, August 24, 2016 3:10 PM
To: Kiana Valentine
Cc: Chris Lee; Merrin Gerety; DeAnn Baker
Subject: CSAC Analysis & Update: Beall/Frazier Transportation Package

To: CSAC Housing, Land Use, and Transportation Policy Committee
CEAC Transportation Committee
County Public Works Directors
County Legislative Coordinators

County Caucus

From: Kiana Valentine, CSAC Legislative Representative
Chris Lee, CSAC Legislative Analyst

Re: CSAC Analysis & Update: Beall/Frazier Transportation Package

As we reported last week, Assembly Member Frazier and Senator Beall released a combined transportation funding and reform proposal. CSAC staff have analyzed the attached legislative language, which we understand will be formally introduced into bills tomorrow (Senator Beall is amended his SB X1 1 and Assembly Member Frazier is introducing a new bill – AB X1 26), and want to share further details on the fiscal and policy/programmatic provisions most relevant to California's counties. **In addition to the brief summary and questions below, a detailed analysis of the proposal as it relates to local streets and roads is attached**.

The political outlook for the bill remains unclear, as the proposal would have to receive unanimous support from both Democratic caucuses in addition to some Republican votes in order to meet the 2/3 vote threshold required for new taxes. Discussions are underway to help determine the correct mix of reforms and new revenues required to meet this difficult threshold. Nevertheless, CSAC is gratified to see a joint proposal that makes a an investment in local streets and roads that we estimate will be sufficient to being to chip away at the $79 billion funding shortfall and being to improve the quality of our local streets and roads.

CSAC will keep you updated as discussions continue over the last week of session.

BRIEF SUMMARY OF PROPOSAL

In total, we estimate cities and counties would share over **$2.5 billion in new local streets and roads revenue** on an annual basis:

- $1.9 billion from the new gas tax, and increased fee on vehicle registration, and a new zero emission vehicle registration fee;
- $440 million, at full implementation, from the weight fee return (pending amendments);
- $495 million from the reset of the price-based excise tax (in addition to existing price-based excise tax revenues); and
- $44 million from returned non-highway/OHV related price-based excise tax revenues.

In addition, local streets and roads would receive one-time revenues of:

- $351.5 million in transportation loan repayments

The $2.5 billion in new revenue estimates for local streets and roads provided last week (attached again) are generally consistent with our analysis. From the CSAC staff perspective, about $2.3 billion is new, on-going revenue at full implementation of the package and $500 million is related to the restoration of the price-based tax rate which we classify as existing revenues. Either way, counties would receive 50% of over $2.5 billion at full implementation of the Beall/Frazier package.

Outside of the revenue provisions, the bill includes familiar accountability measures, including a maintenance of effort requirement and project reporting to the California Transportation Commission. In terms of local project streamlining, the bill would expand an existing CEQA exemption available to small cities and counties for work in the existing right-of-way to all local jurisdictions in the state and create an advanced mitigation program. Finally, the bill maintains a similar list of eligible project types from prior legislative proposal this year—including complete streets features for active transportation—and allows jurisdictions to use new revenues for broader transportation purposes when a city or county's pavement condition index has a score of at least 80.

Finally, CSAC is aware of county's expressed concerns related to the California Conservation Corps and pre-apprenticeship program language that was included in SB X1 1 (Beall), which were both included in this proposal. We are interested in any other comments or concerns counties may have, especially in response to the questions we have already identified below:

QUESTIONS FOR COUNTIES

1. Are the MOE years (FY 2009-10 through 2011-12) the correct/best three recent years to use?
2. Is the proposed advanced mitigation program likely to be helpful to your county's capital projects, if any?
    a. Is it duplicative of local Habitat Conservation Plan/Natural Communities Conservation Plan efforts where transportation capital projects are covered activities, or might it complement or help to implement such efforts?

Kiana Valentine
Legislative Representative
Housing, Land Use, and Transportation
California State Association of Counties®
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SIERRA COUNTY

Board of Supervisors
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Downieville, California 95936
Telephone (530) 289-3295
Fax (530) 289-2830

September 6, 2016

The Honorable Jim Frazier
Member, California State Assembly
State Capitol, Room 3091
Sacramento, CA 95814

The Honorable Jim Beall
Member, California State Senate
State Capitol, Room 5066
Sacramento, CA 95814

Re: Transportation Funding and Reform Package
AB x1 26 (Frazier) & SB x1 1 (Beall) – SUPPORT

Dear Assembly Member Frazier and Senator Beall,

The County of Sierra writes in strong support of your joint transportation funding and reform package reflected in your respective bills – AB x1 26 and SB x1 1. We also want to extend our appreciation to you for your leadership in trying to address California's tremendous transportation infrastructure needs and keep our economy moving. Your work to develop and introduce a combined proposal that takes elements of your earlier bills, Republican ideas on revenues and reforms, and aspects of the Governor's transportation plan is critical in developing a comprehensive and robust bipartisan solution.

AB x1 26 and SB x1 1 would provide much-needed new statewide investment to maintain and improve local streets and roads and state highways. As importantly, it would also ensure existing revenues meant for transportation projects are redirected to transportation, and would implement a number of reforms to improve project delivery while still protecting the environment.

CSAC calculates that the proposal would result in over $2.5 billion in existing and new on-going revenue at full implementation of the package for multi-modal investments into the local street and road system. The County of Sierra's local streets and roads, bridges, and pedestrian facilities are in fair to poor condition and are facing an unmet need of repair. Without an immediate investment of new revenue into the system, our infrastructure will continue to decline, which only increases the cost burden on future tax payers. AB x1 26 and SB x1 1 would allow us to reinvest in our existing infrastructure and bring it into a good condition, pave our local roads, etc.

In addition to the revenue provisions, AB x1 26 and SB x1 1 incorporate strong accountability measures, including a local maintenance of effort requirement and project-level reporting to the

California Transportation Commission. In terms of local project streamlining, the bills would expand an existing CEQA exemption available to small cities and counties for maintenance, rehabilitation and safety projects in the existing right-of-way to all local jurisdictions and the state, and create a transportation advanced mitigation program.

As you know, local governments have identified ten-year unmet needs of $79 billion on the local streets and roads system in addition to $59 billion in deferred maintenance on the state highway system. As roads deteriorate, they become increasingly expensive to repair. In fact, rebuilding a road completely can cost as much as twenty times more than routine maintenance that would have extended the service life of the same infrastructure. As such, research by CSAC, the League of California Cities and California's regional transportation agencies shows that failure to invest additional funds toward local system maintenance today will only increase maintenance needs in the future. **For instance, a failure to increase investment today will cause the unfunded backlog will grow by $11 billion in just five years and $21 billion over a decade.** AB x1 26 and SB x1 1 will make investments significant enough to improve California's local streets and roads and reduce future burdens on taxpayers.

Investing in our roads and highways, active transportation facilities, transit and key freight corridors through targeted and balanced increases in revenue will improve California's transportation facilities today and save taxpayers money for the upkeep of this infrastructure tomorrow—not to mention the savings individual drivers will realize from smoother and safer roads that reduce wear and tear on vehicles.

For all of these reasons, the County of Sierra supports AB x1 26 and SB x1 1. For more information on our position, please do not hesitate contact Lee Adams, Chairman of the Board.

Sincerely,

SIERRA COUNTY
BOARD OF SUPERVISORS

LEE ADAMS
Chairman

Cc: The Honorable Edmund G. Brown, Jr.
The Honorable Brian Dahle, California State Assembly
The Honorable Ted Gaines, California State Senate