Meeting Date: **9/1/2015**

Report Type: Consent

Report ID: 2015-00768

City of SACRAMENTO 04

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: Support League of California Cities' Priorities for the Extraordinary Legislative Session on Transportation

Location: Citywide

Recommendation: Pass a Resolution supporting the League of California Cities priorities for transportation infrastructure funding.

Contact: Randi L. Knott, Director of Government Affairs, (916) 808-5771, Office of the City Manager

Presenter: None

Department: City Manager / Public Works

Division: Executive Office

Dept ID: 02001011

Attachments:

1-Description/Analysis

2-Resolution

City Attorney Review

Approved as to Form
Joe Robinson
8/25/2015 3:55:28 PM

Approvals/Acknowledgements

Department Director or Designee: John Dangberg - 8/24/2015 1:34:50 PM

Description/Analysis

Issue Detail: For years the State of California has failed to provide new sustainable funding for state and local transportation infrastructure. To address this longstanding issue, Gov. Brown has called an Extraordinary Legislative Session on Transportation.

Policy Considerations: In response to the Governor's Proclamation calling an Extraordinary Session on Transportation and Infrastructure, the League of California Cities (League) Board of Directors formally adopted a resolution urging Gov. Brown and the legislature to provide new sustainable funding for state and local transportation infrastructure. The League is asking all member cities to adopt a similar resolution.

Economic Impacts: Additional funding for transportation infrastructure will create both temporary and permanent jobs but no formal analysis has been completed for city-specific projects as of yet.

Environmental Considerations: Not Applicable

Sustainability: Not Applicable

Commission/Committee Action: The Law & Legislation Committee has found this policy to be in compliance with the Council's adopted legislative platform. The Mayor has also signed a letter with the Big Ten Mayors in support of this effort.

Rationale for Recommendation: The proposal put forth in Senate Bill SBx1 1 (Beall) would create a five-year temporary funding source for California's local roadways. Specifically, it would address many of the findings from the 2014 California Statewide Local Streets and Roads Needs Assessment which provides critical analysis and information on the condition of the local transportation funding needs. Cities and counties need an additional $1.7 billion just to maintain the status quo which is currently at risk. Failure to secure funding now has the implication of costing taxpayers twice as much to fix the local road system in the future.

Financial Considerations: Not applicable.

RESOLUTION NO.

Adopted by the Sacramento City Council

URGING THE STATE TO PROVIDE NEW SUSTAINABLE FUNDING FOR STATE AND LOCAL TRANSPORTATION INFRASTRUCTURE

BACKGROUND

A. Governor Edmund G. Brown, Jr. has called an extraordinary session to address the immense underfunding of California's transportation infrastructure.

B. Cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment we open our front door to drive to work, bike to school, or walk to the bus station, people are dependent upon a safe, reliable local transportation network.

C. The City of Sacramento has participated in efforts with the California State Association of Counties, League of California Cities, and California's Regional Transportation Planning Agencies to study unmet funding needs for local roads and bridges, including sidewalks and other essential components.

D. The resulting 2014 California Statewide Local Streets and Roads Needs Assessment, which provides critical analysis and information on the local transportation network's condition and funding needs, indicates that the condition of the local transportation network is deteriorating as predicted in the initial 2008 study.

E. The results show that California's local streets and roads are on a path of significant decline. On a scale of zero (failed) to 100 (excellent), the statewide average pavement condition index (PCI) is 66, placing it in the "at risk" category where pavements will begin to deteriorate much more rapidly and require rehabilitation or rebuilding rather than more cost-effective preventative maintenance if funding is not increased.

F. The results show that the City of Sacramento's local streets have a statewide average pavement index of 61, placing them in the "at risk" category.

G. If funding remains at the current levels, in 10 years, 25 percent of local streets and roads in California will be in "failed" condition.

H. Cities and counties need an additional $1.7 billion just to maintain a status quo pavement condition of 66, and much more revenue to operate the system with Best Management Practices, which would reduce the total amount of funding needed for maintenance in the future.

I. Models show that an additional $3 billion annual investment in the local streets and roads system is expected to improve pavement conditions statewide from an average “at risk” condition to an average “good” condition.

J. If additional funding isn’t secured now, it will cost taxpayers twice as much to fix the local system in the future, as failure to act this year will increase unmet funding needs for local transportation facilities by $11 billion in five years and $21 billion in ten years.

K. Modernizing the local street and road system provides well-paying construction jobs and boosts local economies.

L. The local street and road system is also critical for farm to market needs, interconnectivity, multimodal needs, and commerce.

M. Police, fire, and emergency medical services all need safe reliable roads to react quickly to emergency calls where a few minutes of delay can be a matter of life and death.

N. Maintaining and preserving the local street and road system in good condition will reduce drive times and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing, which leads to reduced vehicle emissions helping the State achieve its air quality and greenhouse gas emissions reductions goals.

O. Restoring roads before they fail also reduces construction time which results in less air pollution from heavy equipment and less water pollution from site run-off.

P. In addition to the local system, the state highway system needs an additional $5.7 billion annually to address the state’s deferred maintenance.

Q. In order to bring the local system back into a cost-effective condition, at least $7.3 billion annually in new money should be going directly to cities and counties.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The Sacramento City Council strongly urges the Governor and Legislature to identity a sufficient and stable funding source for local street and road and state highway maintenance and rehabilitation to ensure the safe and efficient mobility of the traveling public and the economic vitality of California.

Section 2. The Sacramento City Council strongly urges the Governor and Legislature to adopt the following priorities for funding California’s streets and roads:

A. **Make a significant investment in transportation infrastructure.** Any package should seek to raise at least $6 billion annually and should

remain in place for at least 10 years or until an alternative method of funding our transportation system is agreed upon.

B. **Focus on maintaining and rehabilitating the current system.** Repairing California's streets and highways involves much more than fixing potholes. It requires major road pavement overlays, fixing unsafe bridges, providing safe access for bicyclists and pedestrians, replacing storm water culverts, as well as operational improvements that necessitate the construction of auxiliary lanes to relieve traffic congestion choke points and fixing design deficiencies that have created unsafe merging and other traffic hazards. Efforts to supply funding for transit in addition to funding for roads should also focus on fixing the system first.

C. **Equal split between state and local projects.** We support sharing revenue for roadway maintenance equally (50/50) between the state and cities and counties, given the equally-pressing funding needs of both systems, as well as the longstanding historical precedent for collecting transportation user fees through a centralized system and sharing the revenues across the entire network through direct subventions. Ensuring that funding to local governments is provided directly, without intermediaries, will accelerate project delivery and ensure maximum accountability.

D. **Raise revenues across a broad range of options.** Research by the California Alliance for Jobs and Transportation California shows that voters strongly support increased funding for transportation improvements. They are much more open to a package that spreads potential tax or fee increases across a broad range of options, including fuel taxes, license fees, and registration fees, rather than just one source. Additionally, any package should move California toward an all-users pay structure, in which everyone who benefits from the system contributes to maintaining it – from traditional gasoline-fueled vehicles, to new hybrids or electric vehicles, to commercial vehicles.

E. **Invest a portion of diesel tax and/or cap & trade revenue to high-priority goods movement projects**. While the focus of a transportation funding package should be on maintaining and rehabilitating the existing system, California has a critical need to upgrade the goods movement infrastructure that is essential to our economic well-being. Establishing a framework to make appropriate investments in major goods movement arteries can lay the groundwork for greater investments in the future that will also improve air quality and reduce greenhouse gas emissions.

F. **Strong accountability requirements to protect the taxpayers' investment.** Voters and taxpayers must be assured that all transportation revenues are spent responsibly. Local governments are accustomed to employing transparent processes for selecting road maintenance projects aided by pavement management systems, as well as reporting on the expenditure of transportation funds through the State Controller's Local Streets and Roads Annual Report.

G. **Provide Consistent Annual Funding Levels.** Under current statute, the annual gas tax adjustment by the Board of Equalization is creating extreme fluctuations in funding levels – a $900 million drop in this budget year alone. A transportation funding package should contain legislation that will create more consistent revenue projections and allow Caltrans and transportation agencies the certainty they need for longer term planning.