



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Public Works



Date: March 23, 2016

Board Meeting Date: April 26, 2016

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: James C. Porter, Director of Public Works

Subject: Sustainable Funding For State And Local Transportation Infrastructure

RECOMMENDATION:

Adopt a resolution urging the Governor and the Legislature to identify sufficient and stable funding sources for the maintenance and rehabilitation of local streets and roads and State highways to ensure the safe and efficient mobility of the traveling public and the economic vitality of California.

BACKGROUND:

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

In 2007, the League, CSAC, the County Engineers Association of California, and the Los Angeles County Department of Public Works embarked on a mission to complete the first comprehensive statewide study of California's local street and road system, referred to as the California Statewide Local Streets and Roads Needs Assessment. Since the initial assessment and report was completed in 2009, there have been subsequent updates in 2011, 2013, and 2014. The next update will be released later this year. Your Board adopted resolutions supporting the 2009, 2011, 2013 and 2014 reports, and the need to identify adequate and stable State transportation funding for local street and road maintenance and rehabilitation.

The 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 (report completed in 2009).

The studies have shown 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 techniques if funding is not increased. The local streets, within the unincorporated County, are also in the "at risk" category with an average PCI of 69.

California's transportation funding is at a critical juncture. The California Transportation Commission recently announced it was deprogramming (cutting) \$754 million from the State Transportation Improvement Program because its fuel-based revenue is falling well below projections. This is due to the continuing decrease in gas prices and increases in vehicle fuel economy. The cuts are imperiling dozens of major projects up and down the State and are further exacerbating an already dire need for maintenance on our highways, streets, roads and bridges.

CSAC and its partners in the Fix Our Roads Coalition (Coalition) have developed a list of priorities, as listed in the Resolution, for funding maintenance and rehabilitation of the roads in California. CSAC has asked all of its members to adopt a resolution urging the Governor and State Legislature to address the issue with a comprehensive package of funding and reforms that will keep California rolling as described by the said priorities.

DISCUSSION:

If funding remains at the current levels, study results indicate that in 10 years, 25 percent of local streets and roads in California will be in "failed" condition. Cities and counties need an additional \$1.7 billion above what is currently programmed just to maintain a status quo pavement condition index of 66. Much more revenue is required to operate the system using Best Management Practices, which would reduce the total amount of funding needed for maintenance in the future.

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. 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.

On January 7, 2016, the Governor presented his 2016-17 budget proposal to the State Legislature, which included a transportation package of \$3.6 billion in annualized funding. The Governor's specific proposals for funding this package require legislative action.

The Department recommends that the County join CSAC and the Coalition in urging the Governor and the Legislature to make a sustainable new investment in infrastructure, and address the prevailing problems with the deterioration of our streets and highways.

County Counsel has reviewed and approved the resolution as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Collaborative Community through demonstration of the County's support of an alliance with the other counties and cities for preservation of the State's local streets and roads.

FISCAL IMPACT:

Supporting CSAC and the Coalition for sustainable new transportation funding recognizes the importance of maintaining local streets at particular levels through ongoing maintenance efforts and road construction projects, while identifying the need for reliable and sufficient funding. Without new transportation funding the County anticipates receiving approximately \$13.4 million or approximately \$1 million less in transportation funding for FY 2016-17, compared to FY 2015-16. This loss in revenue will necessitate using Road Fund fund balance to meet our maintenance needs in FY 2016-17.

There is no impact to the General Fund.