

Smith, Watts & Hartmann, LLC.

Consulting and Governmental Relations

MEMORANDUM

TO: Transportation, Water, and Infrastructure Committee

FROM: Mark Watts

DATE: March 31, 2016

SUBJECT: April Report

Legislature

Transportation funding

During this past month significant discussions were conducted by the Governor, the Speaker and the Pro Tem, as well as the two Transportation Committee Chairs concerning the goal of passing a transportation-funding package before the upcoming Legislative Spring break. Publicly, however, most of the month was generally quiet with SB 1 by Senator Beall passing several key committees, and is now pending hearing in the Senate Appropriations Committee.

Representatives of the Administration met with advocates and stakeholders related to the legislative effort on March 16th to update the status of discussions and urge even greater efforts to persuade members of the Legislature of the urgency to act to address the growing transportation problems of maintenance, repair, and capacity improvements.

Finally, on Wednesday, March 29, the Governor, the Senate President Pro Tem, the Speaker of the Assembly, and other legislative leaders & administration officials announced a deal to fund our state's transportation system. For the last several weeks, leadership in both houses, as well as staff from the Governor's Office and the California State Transportation Agency, have been negotiating the final details of the comprehensive transportation funding package, based largely on the great work done by Senator Jim Beall and Assembly Member Jim Frazier over the last two years. The funding package is a \$5.2 billion plan, with new revenues coming from increasing gasoline and diesel excise taxes, an increase in diesel sales tax, a new transportation fee based on the value of vehicles, and a fee on zero emission

vehicles. The proposal would fund local streets & roads, state highways, public transit, and active transportation.

On March 30, SB 1 was amended to incorporate the new “deal points”, as was the companion measure, SCA 2 (and an identical measure, ACA 12), which provides “lock-box” protections to the new revenues package, as well as an exemption for the new revenues from the state and local calculations of the State Appropriations Limit.

The two Senate bills are scheduled for hearing on April 3 in the Senate Appropriations committee, and are anticipated for Senate Floor Action on April 4th. To ensure complete airing of the bills contents, the Assembly will consider SB 1 (informational overview only), so that when SB 1 is in the Assembly, they can expedite the process on the package, likely a Floor vote by April 5th. Material provided by the administration follows, at the end, that depicts program funding within and near Contra Costa County

Summary of SB 1 Key Elements

STATEWIDE INVESTMENT PROGRAMS (50%)

Fix-it-First Highways	\$15 billion
Bridge and Culvert Repair	\$4 billion
Trade Corridor Investments	\$3 billion
Solutions for Congested Commute Corridors	\$2.5 billion
Parks Funding for Ag, Off-Highway Vehicle & Boating	\$800 million
STIP (State Share)	\$275 million
Freeway Service Patrol	\$250 million
California Public Universities	\$70 million
Transportation Research	

Local or Regional Investment Programs (50%)

Fix-it-First Local Roads	\$15 billion
Transit Capital and Operations	\$7.5 billion
Local Partnership Funds	\$2 billion
Active Transportation Program	\$1 billion
Bicycle and Pedestrian	

Investments

STIP (Local Share)	\$825 million
Local Planning Grants	\$250 million

TOTAL **\$52.4 billion**

Other Key Transportation Legislation

AB 28 (Frazier)

This bill re-enacts the California Department of Transportation's (Caltrans') authority that expired on January 1, 2017, to indefinitely assume the role of the United States Department of Transportation (U.S. DOT) for National Environmental Policy Act (NEPA) decision-making.

The authority has supported this important measure, which was approved at each committee stop in the Senate and by the full Senate on March 16th with a unanimous vote, 39-0. The bill received final concurrence approval in the Assembly and was approved by the Governor and Chaptered on MRCH 29.

Autonomous Vehicles

At least 11 bills have been introduced pertaining to Autonomous Vehicles (AV) in the legislature. Most have been “spot” bills, while a couple of the bills seek to provide legislative guidance on the statutory framework for deployment of AVs. Earlier in the month, the DMV filed proposed regulations related to AVs. The Administration is firm in its resolve to complete the regulatory process with final regulations in place by November or December 2017. The AV bills will bear close monitoring to ensure the provisions of AB 1592 remain unaffected.

New Bills of Interest

SB 423 (Cannella)

This bill, relating to design professionals, is a re-introduction of legislation of interest to the authority that failed passage in 2016, SB 885. In essence, SB 423 prohibits contracts that require state licensed design professionals, including engineers, land surveyors,

architects, and landscape architects, to defend claims made against other persons or entities involved in construction projects. A design professional's Errors & Omissions professional liability insurance does not provide coverage for the defense of claims against other persons and entities involved in construction projects. It only covers claims related to the negligent acts of the design professional.

Regional Measure 3

Legislation to establish Regional Measure 3 (RM 3) is still under development in Sacramento and plans remain for introduction and enactment in 2017. Out of recognition that discussions in the Capitol are focused on completing a statewide transportation-funding package by the Legislative Spring Break RM 3 legislation will be deferred for the time being distraction while these efforts continue.

Meanwhile, several local agencies having already adopted RM 3 priority project lists including BART, Alameda County Transportation Commission and the Contra Costa Transportation Authority.

Administration Fact Sheet Information

(Selected information)

SB 1 Funding Package Estimates - 10 years

Regional

SHOPP:	\$2.515 billion
State Maintenance:	\$200 million
Local Partnership:	\$590 million

Contra Costa County

STIP Share:	\$29 million
County Roads:	\$232 million

New City Streets and Roads Funds

City of ANTIOCH	\$25.85
City of BRENTWOOD	\$13.45
City of OAKLEY	\$ 9.19
City of PITTSBURG	\$15.52
City of CLAYTON	\$ 2.57
City of CONCORD	\$29.68
City of MARTINEZ	\$ 8.48
City of PITTSBURG	\$15.52

City of PLEASANT HILL	\$ 7.80
City of WALNUT CREEK	\$16.0
City of EL CERRITO	\$ 5.58
City of HERCULES	\$ 5.67
City of PINOLE	\$ 4.29
City of SAN PABLO	\$ 7.05
City of DANVILLE	\$ 9.81
City of DUBLIN	\$13.12
City of LAFAYETTE	\$ 5.70
City of LIVERMORE	\$20.17
City of MORAGA	\$ 3.78
City of ORINDA	\$ 4.29
City of PLEASANTON	\$17.16
City of SAN RAMON	\$17.93
City of WALNUT CREEK	\$16.02

STATE TRANSIT ASSISTANCE - New Funding

Central Contra Costa Transit Authority	\$6,816,934
Eastern Contra Costa Transit Authority	\$3,129,116
Western Contra Costa Transit Authority	\$3,496,221
Livermore-Amador Valley Transit Authority	\$2,896,046