



UPDATE ON SB1 PROJECT IMPLEMENTATION & POSSIBLE IMPACTS OF PROP 6 ON ROAD PROGRAM

CONTRA COSTA COUNTY BOARD OF SUPERVISORS
PRESENTATION 9/25/18



Presentation Outline

- Define Terms
- Road Program Funding
- Why the Need?
- SB1 Projects Implementation Update
- What's at Risk?
- Options if Prop 6 Successful
- Links to Additional Information

What is Gas Tax, SB1, and Prop 6?

◎ Gas Tax:

User based tax to maintain, operate, and improve the State's transportation network.

◎ SB1 – Senate Bill 1:

Raised gas tax and vehicle registration fees to fund transportation improvements and indexed tax to keep pace with inflation

◎ Proposition 6:

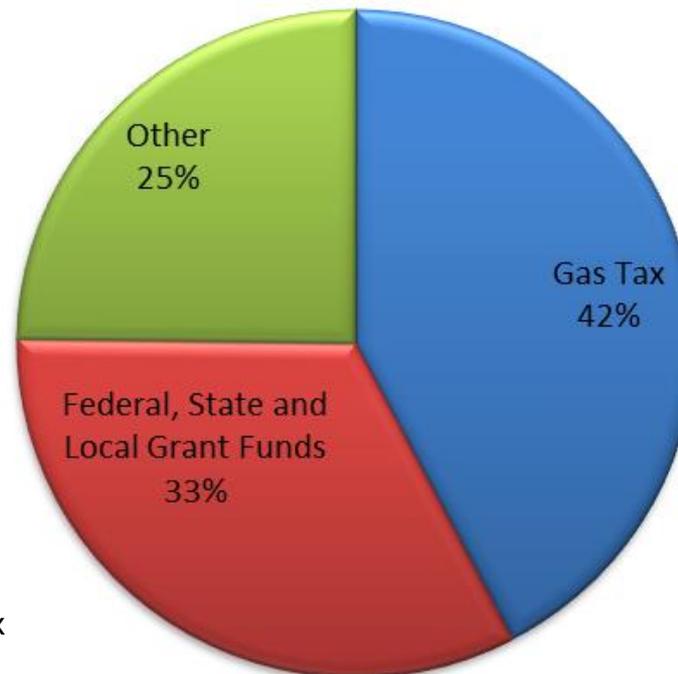
If successful, it would repeal the new gas tax and registration fees and change the voting threshold for any future transportation related tax

How we fund the Road Program

PROJECTED 7 YEAR REVENUE FOR THE ROAD PROGRAM

Other:

- Measure J return to source sales tax
- Measure J regional funds
- Developer Impact Fees
- State Match funds



Grant Return on Investment
Grants Awarded/Staff
Expenditures ~30:1 ROI

Grant funds & Fees/Gas Tax
Match
~5:1+ ROI (avg.)

SB1 - Understanding the need

Two Main Reasons behind SB1

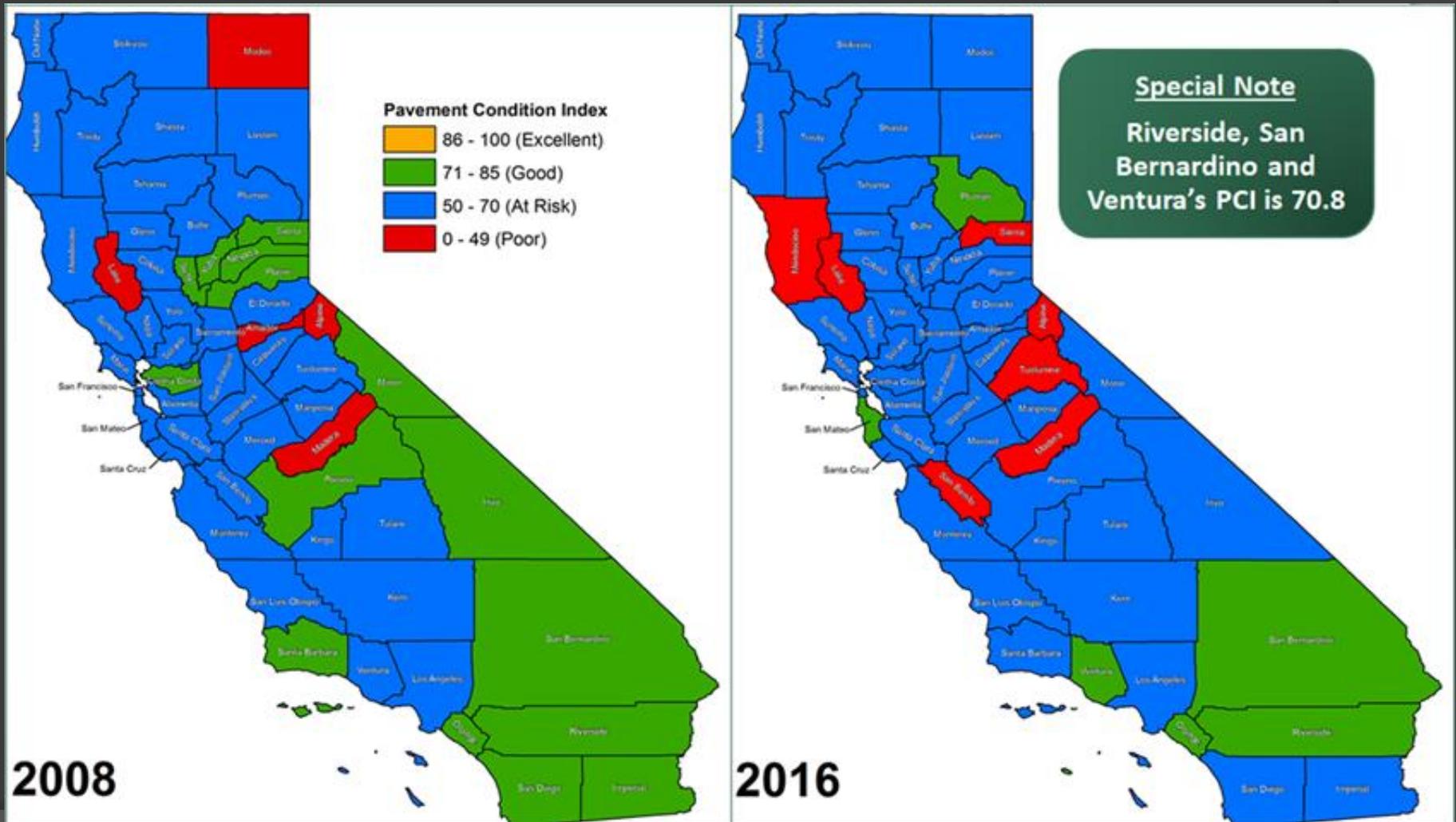
1. Documented FACT that roads were **deteriorating, maintenance backlog was growing, and revenue was not adequate**
 - Maintenance Backlog - \$7.3 billion Local Streets and Roads, \$5.7 billion State Freeways and Highways
 - County's current maintenance backlog is \$88.6 million

www.savecaliforniastreet.org

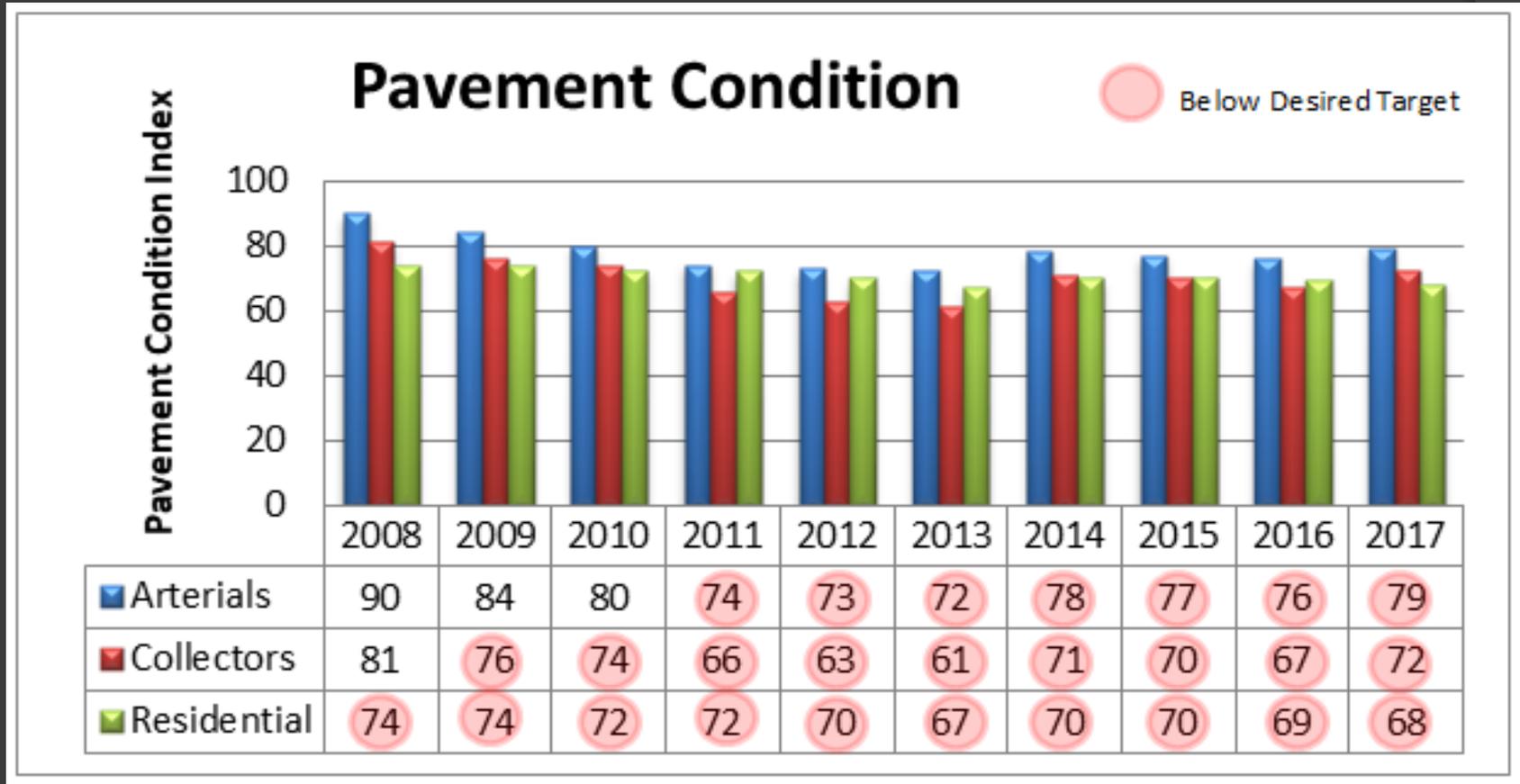
Source: Statewide Local Streets and Roads Needs Assessment (first report 2008 to educate legislators on the need. Most recent update in 2016 showed the continuing trend of need)

2. Gas Tax was, and to a lesser extent still is, a **Declining Revenue Source**

Deteriorating Conditions

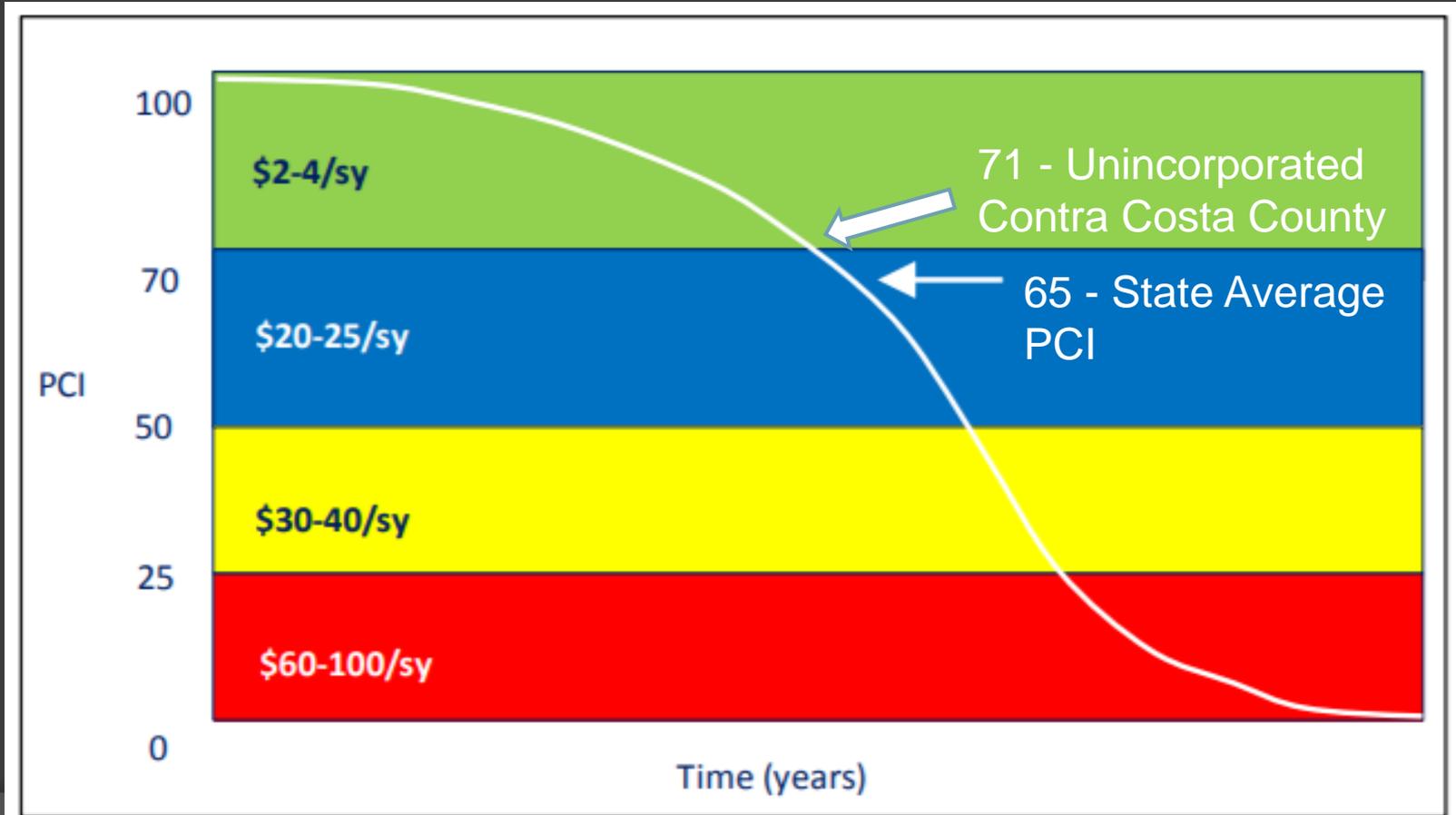


Condition of County Roads

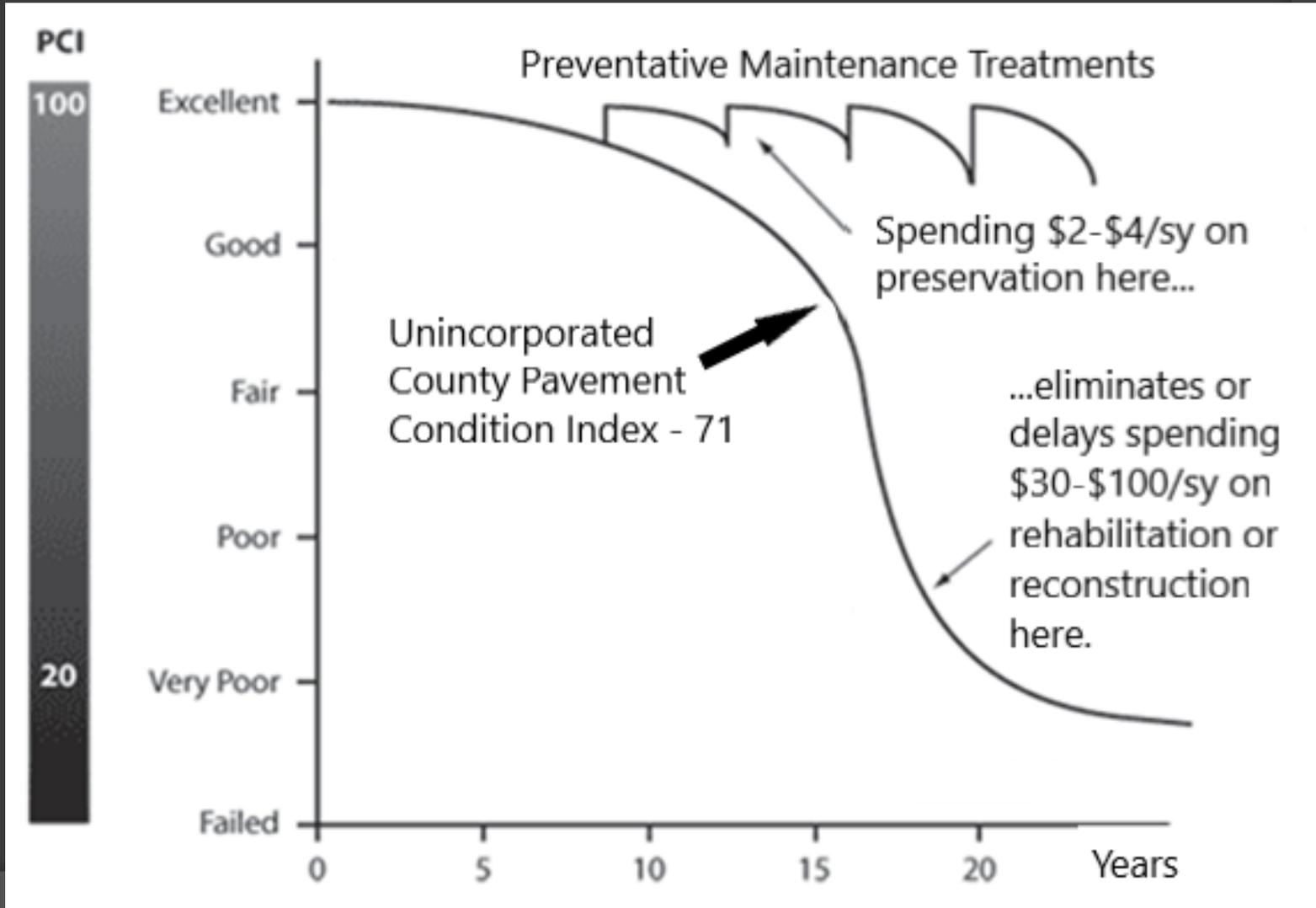


Deteriorating Conditions

- At-Risk or At the edge of a cliff...

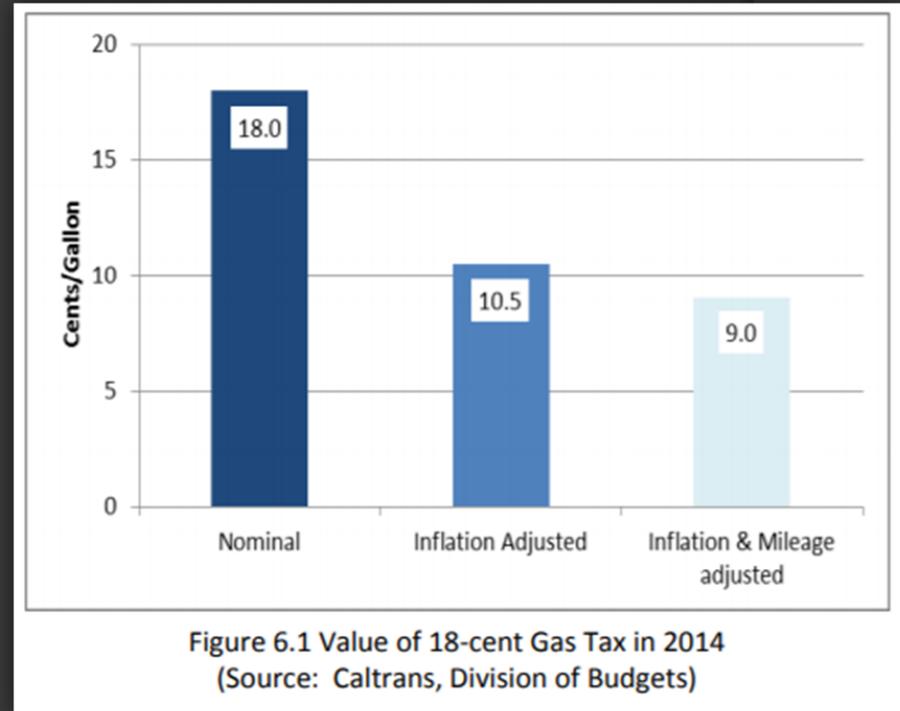


Benefits of Preventative Maintenance



Declining Revenue Source

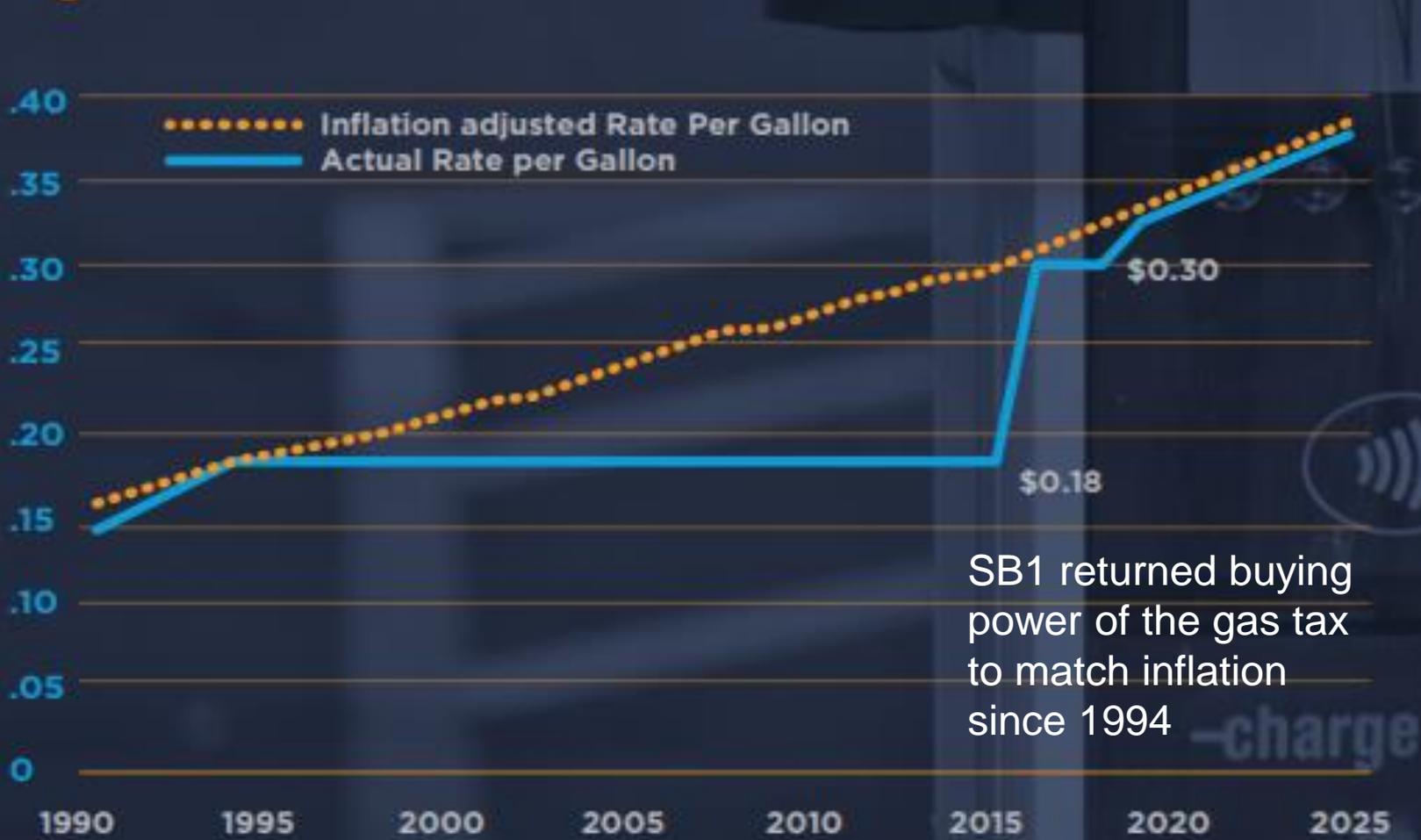
- ⦿ Gas tax was and continues to be a declining revenue source
 - No Adjustment for Inflation prior to SB1
 - More Fuel Efficient Vehicles and more Electric Vehicles – good, but impacts revenue



The 18-cent per gallon tax set in 1994 is currently worth about 9-cents when adjusted for inflation and mileage

Accounting for Inflation

Figure 1 – Senate Bill 1 Gas Tax Stabilization

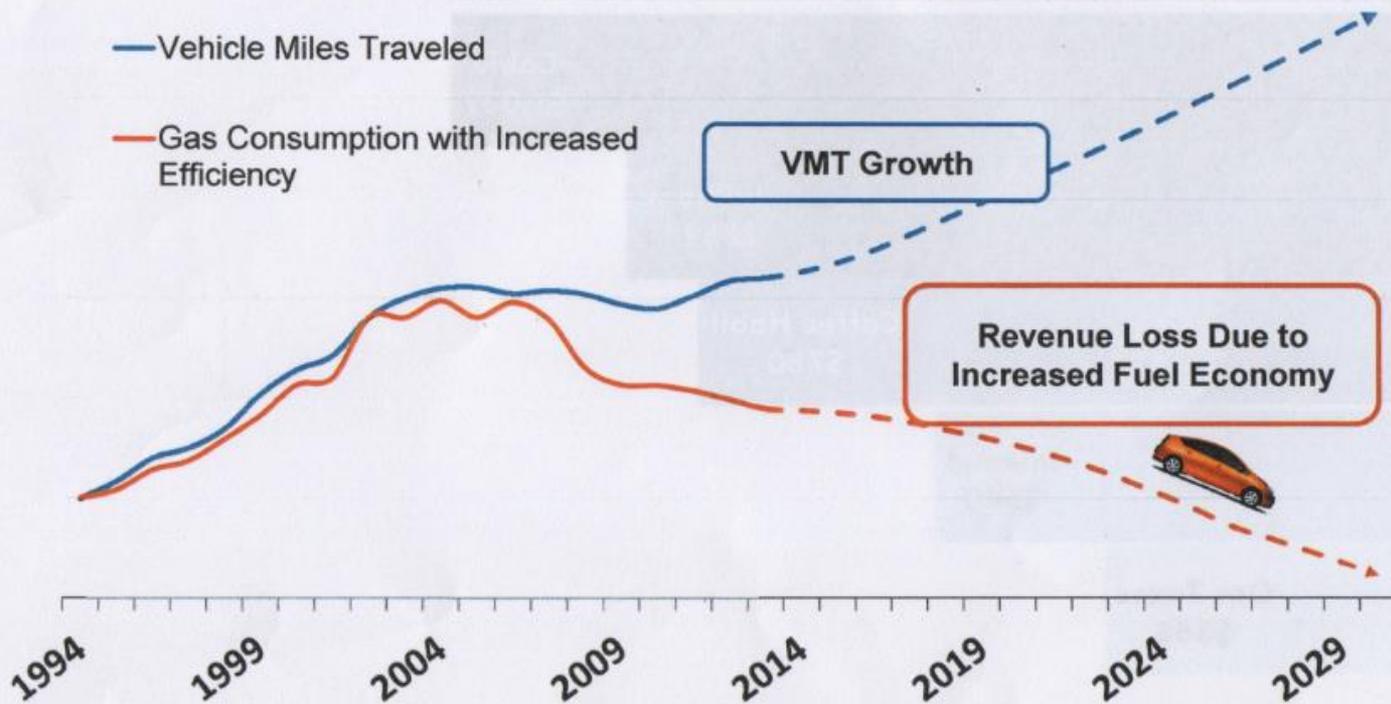


SB1 returned buying power of the gas tax to match inflation since 1994

Source: Department of Finance

Impact of Fuel Efficiency

Revenue Loss Due to Increases in Fuel Economy



Source: Department of Transportation 2015

SB1 Project Implementation

- ◎ Clearing our inventory of delayed projects
 - Preventative maintenance
 - Emergency projects
 - Complete Streets implementation (Bike/Ped Safety)
 - Safety projects
 - ◎ SB1 Transparency Requirements
 - Expenditure plans and actual expenditures available on California Transportation Commission website
 - Transportation Water & Infrastructure April Meeting
- “That’s a lot of projects...will you complete them all this summer?” ...”They will all be completed by December 2018.”

Morgan Territory Road Slide Repair – Storm Damage 2017 – completed in 9 months



Project Complete

Alhambra Valley Road Washout – Storm Damage 2017 – completed in 9 months



Project Complete

Bay Point/Walnut Creek/Martinez Rubber Cape Seal – 26 miles of road resurfaced

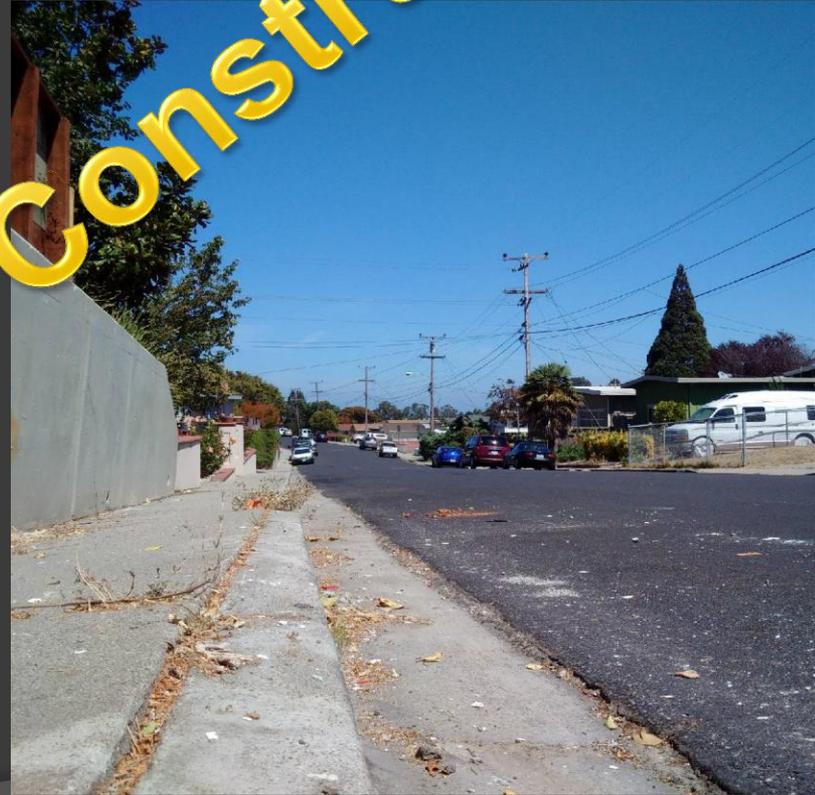


Project Complete

Pomona Street Pedestrian Safety Project – adjacent to two schools



Tara Hills Pedestrian Infrastructure – Improving access



Project In Construction

Pedestrian Crossing Enhancements – Countywide – Improving safety at schools



Project Complete

Blackhawk Road Bike Lanes – First use of high visibility green paint for critical zones



After



Before



After



After

Project Complete

Rio Vista Elementary School Connection – first use of porous concrete!



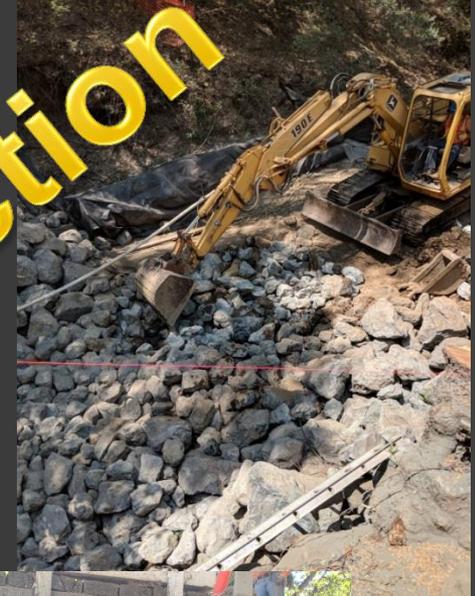
Project Complete

Bay Point Sign Upgrade



Project Complete

Morgan Territory Road Bridges – Secondary route for Morgan Territory Residents



Project in Construction

Tice Valley Linear Park/Transportation Improvements



Project in Construction

Orwood Road Culvert Repair



Project in Construction



Chip Seal 2018 – Resurfaced ~43 miles of roads



Project Complete

Drainage Maintenance & Pavement Patching



Culvert Replacement



Pavement Fabric Patching



Pavement Repairs



Drainage Maintenance

Project Complete

What's At Risk if Prop 6 is successful?

◎ Impact to Revenue:

- Unincorporated Contra Costa County
 - FY2019-20 - **\$21,820,000 annual loss**
 - FY2026-27 - **\$33,010,000 annual loss**
 - Prop 6 also reverts the sales tax portion of the gas tax to the historic low of 9.8 cents
 - **\$245,179,000 loss** over the next 10 years
 - Loss of leveraging ability to seek federal and state grants
- Contra Costa including Cities
 - **\$517,220,000 loss** over the next 10 years

What's At Risk if Prop 6 is successful?

◎ Projects/Programs at-risk – currently being evaluated

Projects(3-year outlook):

- Kirker Pass Road Truck Climbing Lane
- Vasco Road and Byron Highway Improvements
- Appian Way/San Pablo Dam Road Improvements
- Norris Canyon Road Safety Improvements
- Route 239 – Vasco Road/Byron Highway Connector Project
- Baily Road/SR4 Interchange Improvements
- Marsh Creek Road Safety Improvements
- Camino Tassajara Bike Lane Gap Closure
- Countywide Guardrail Upgrade
- Parker Avenue Sidewalk and Pedestrian Crossing
- Marsh Creek Road Bridge Replacement (bridge 143 & 145)
- Bel Air Trail Crossing Safety Improvements
- Marsh Drive Bridge Replacement Project
- Fred Jackson Way, First Mile/Last Mile Connection Project
- Byron Highway Bridge Replacement
- Ability to respond to emergencies – slides, sinkholes, etc. (e.g. Morgan Territory Rd. and Alhambra Valley Rd.)

What's At Risk if Prop 6 is successful?

- Projects/Programs at-risk – currently being evaluated

Programs:

- Annual Surface Treatment Program
- Annual Culvert Replacement Program
- Bridge Repair and Replacement Program
- Complete Streets Implementation
- Neighborhood Traffic Management Program
- Traffic Safety Investigations
- Curb Ramp Program
- Grant Program
- Developer Impact Fee Program

Other Contra Costa Projects at Risk (Caltrans, CCTA, Transit)

- ◎ SB1 Formula Funds
 - Caltrans – I-80 Repaving **\$76.8 million**
 - CCTA – SR4/680 Interchange **\$20.5 million**
 - BART with AC Transit **\$21.4 million**
 - Tri Delta, West CAT, County Connection **\$815k**
 - State Transportation Improvement Program **\$1.9 million/year**
 - Local Partnerships for “self help” counties and cities **\$2.4 million/year** CCTA, **\$100k** each to Orinda, El Cerrito, Martinez
- ◎ SB1 Competitive Funds
 - 680/4 Phase 3 **\$33.6 million**
 - Bike/Ped Projects **\$1.5 million**
 - Planning Studies **\$800k**

Options being evaluated if SB1 repealed (If Prop 6 is successful)

- Eliminate network “improvements” (adding assets like bike lanes, sidewalks, additional lanes, etc.). Any capital improvement project that would add to the cost of operations would not be considered unless it is a well documented safety issue.

If we don't have the funds to maintain what we already have, it would be irresponsible to add to that maintenance burden with additional or expanded facilities.

Options being evaluated if SB1 repealed (If Prop 6 is successful)

- Focus maintenance on roads currently in good condition. Don't invest in failed roads (reduce service level expectation).
- No congestion relief projects (typically require expanding the network)
- Safety projects will be reduced (HSIP project match)
- Reversion to gravel roads for select roads
- Reactive versus Proactive culvert repair – sinkholes
- We will not fill the Traffic Safety Investigator second position
- Longer time to restore storm damage to roads – one lane sections to remain for years (reduced service level expectation)
- Grant Program scaled back. Loss of additional revenue.

Frequently asked questions...

- Will any of the SB1 funding go into the State's General Fund?

No funding from SB1 goes into the General Fund. Revenues go directly into transportation accounts and are constitutionally protected.

- Will SB1 fund High-Speed Rail?

No funds raised from SB1 will be used to fund High-Speed Rail.

- Will any of SB1 revenues be used to pay back old transportation loans?

No. All outstanding transportation loans are being repaid by the General Fund. All loans will be repaid by 2020.

Additional Frequently Asked Questions are included with the staff report

Additional Education Information

- ◎ Rebuilding California
 - <http://rebuildingca.ca.gov/>
- ◎ California Transportation Commission
 - <http://www.catc.ca.gov/programs/sb1/>
- ◎ Save California Streets
 - www.savecaliforniastreet.org

Questions?