

TRANSPORTATION FUNDING UPDATE ON THE 2016, 1/2 CENT SALES TAX PROPOSAL & POSSIBLE IMPACTS ON ROAD SERVICES

MENDOCINO COUNTY BOARD OF SUPERVISORS PRESENTATION
APRIL 16, 2019

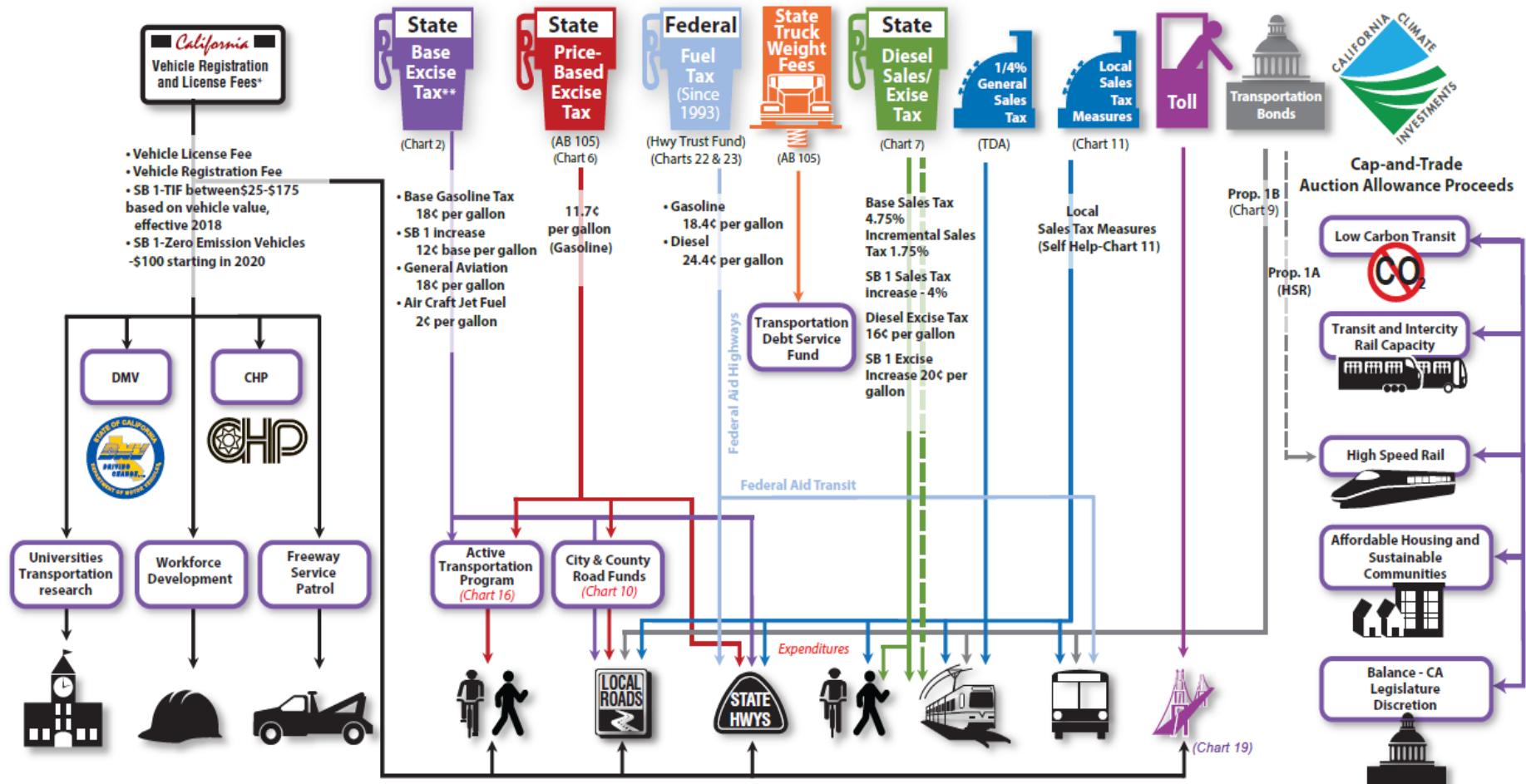
Presentation Outline

- Define Terms
- Transportation Funding
- Why the Need?
- Senate Bill 1 (SB1) Recap from January 8, 2019
- Implementation Priorities
- Opportunities if Sales Tax is Successful
- Links to Additional Information

What is Gas Tax, SB1, and Sales Tax?

- **Gas Tax** — A combination of federal & state taxes collected on fuel. Funds the Federal Highway Bill and California Highway Users Tax Account (HUTA).
- **SB1 Adds Road Maintenance & Repair Account (RMRA) Funds of \$100 Million over 20 Years for Mendocino County** — Raised gas tax and vehicle registration fees to fund transportation improvements and indexed tax to keep pace with inflation:
 - Increased the state gasoline excise tax by an additional \$0.12 per gallon
 - Increased the state diesel fuel excise tax by \$0.20 per gallon
- **1/2 Cent Sales Tax for Unincorporated Areas of the County** — If successful, it would raise \$2.7 million annually in new transportation related taxes on sales of all products subject to sales tax outside cities in Mendocino County.

Transportation Funding is a Mosaic



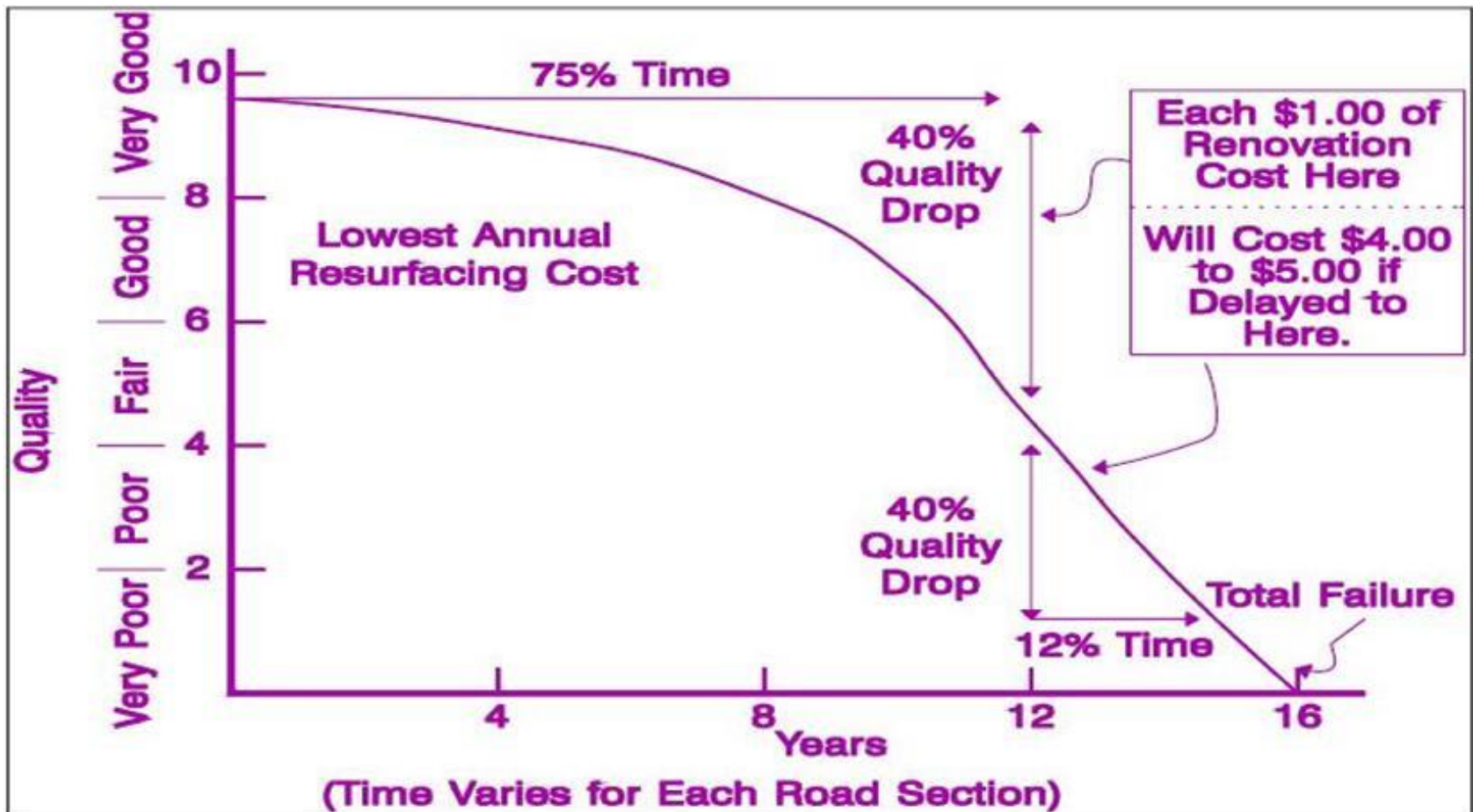
SB1 – Recap from January 8, 2019, Director's Report

Two Main Reasons we supported SB1

1. Mendocino County's roads are deteriorating, our maintenance backlog is growing, and revenue is not adequate for our needs.
 - Maintenance Backlog — \$602 million in costs for Mendocino County roads to have a Pavement Condition Index (PCI) above 80 out of 100. 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)
 - Mendocino County's current Road Maintenance and Repair Account (RMRA) plan for \$100 million to be spent over 20 years will only treat 1/3 of our road system and bring our road PCI above 50.
2. The Gas Tax was, and to a lesser extent still is, an insufficient revenue source for Mendocino County.

Condition of Mendocino County Roads

- The County of Mendocino has an average PCI of 46.
- This is down from a PCI of 51 in 2008.



RMRA Project Implementation Plan Presented January 8, 2019

- Preventative Maintenance work done sooner with more funding.
- More Corrective Maintenance on main roads could be done.
- Transportation needs in order of importance:
 - Traffic Safety
 - System Maintenance and Preservation
 - System Completion (providing connections on major roadways)
 - Congestion Relief
 - System Expansion

Year 1 (2019-20): Chip seal treatments of 8 +/- miles of salvageable road segments in a pavement preservation strategy. Cold in place recycle (CIP) treatment with chip seal of 8 +/- miles of roads segments with delimited layers of oxidized asphalts and chip seals where emulsion and grinding is effective. Deep dig outs of all base failures.
(Total 16.03 miles program \$3.460 million)

County Road (CR) Name	Beginning Milepost (MP)	Ending MP	Total Length	PCI	ADT
Basin View Drive, CR 447	0.00	0.16	0.16	10	104
Noyo Acres Drive, CR 415F	0.00	0.67	0.67	34	275
Benson Lane, CR 415E	0.00	0.70	0.70	18	1,072
Summers Lane, CR 415D	0.00	0.63	0.63	69	315
Hanson Road, CR 415H	0.00	0.68	0.68	42	583
Ward Avenue, CR 425B	0.00	1.36	1.36	15	514
Boice Lane, CR 413	0.00	1.26	1.26	24	759
Pearl Drive, CR 412A	0.00	0.56	0.56	22	322
Fort Bragg Sherwood Road, CR 419	0.00	4.00	4.00	38	779
Simpson Lane, CR 414	0.00	3.60	3.60	91	3,559
Mitchell Creek Drive, CR 414B	0.00	2.02	2.02	49	1,161
Ellison Way, CR 414A	0.00	0.39	0.39	25	

Year 2 (2020-21): Chip seal treatments of 15 +/- miles of salvageable road segments in a pavement preservation strategy. CIP treatment with chip seal of 7 +/- miles of roads segments with delimited layers of oxidized asphalts and chip seals where emulsion and grinding is effective. Deep dig outs of all base failures.
(Total 22.16 miles program \$3.51 million)

County Road Name	Beginning MP	Ending MP	Total Length	PCI	ADT
Flynn Creek Road, CR 135	0.00	8.97	8.97	38	268
Albion Little River Road, CR 403	0.00	3.19	3.19	49	204
Comptche Ukiah Road, CR 223	0.00	10	10	73	1,152

Year 3 (2021-22): Asphalt overlay of 8 +/- miles in a rehabilitation strategy. Deep dig outs of all base failures. (Total 8 miles program \$3.89 million)

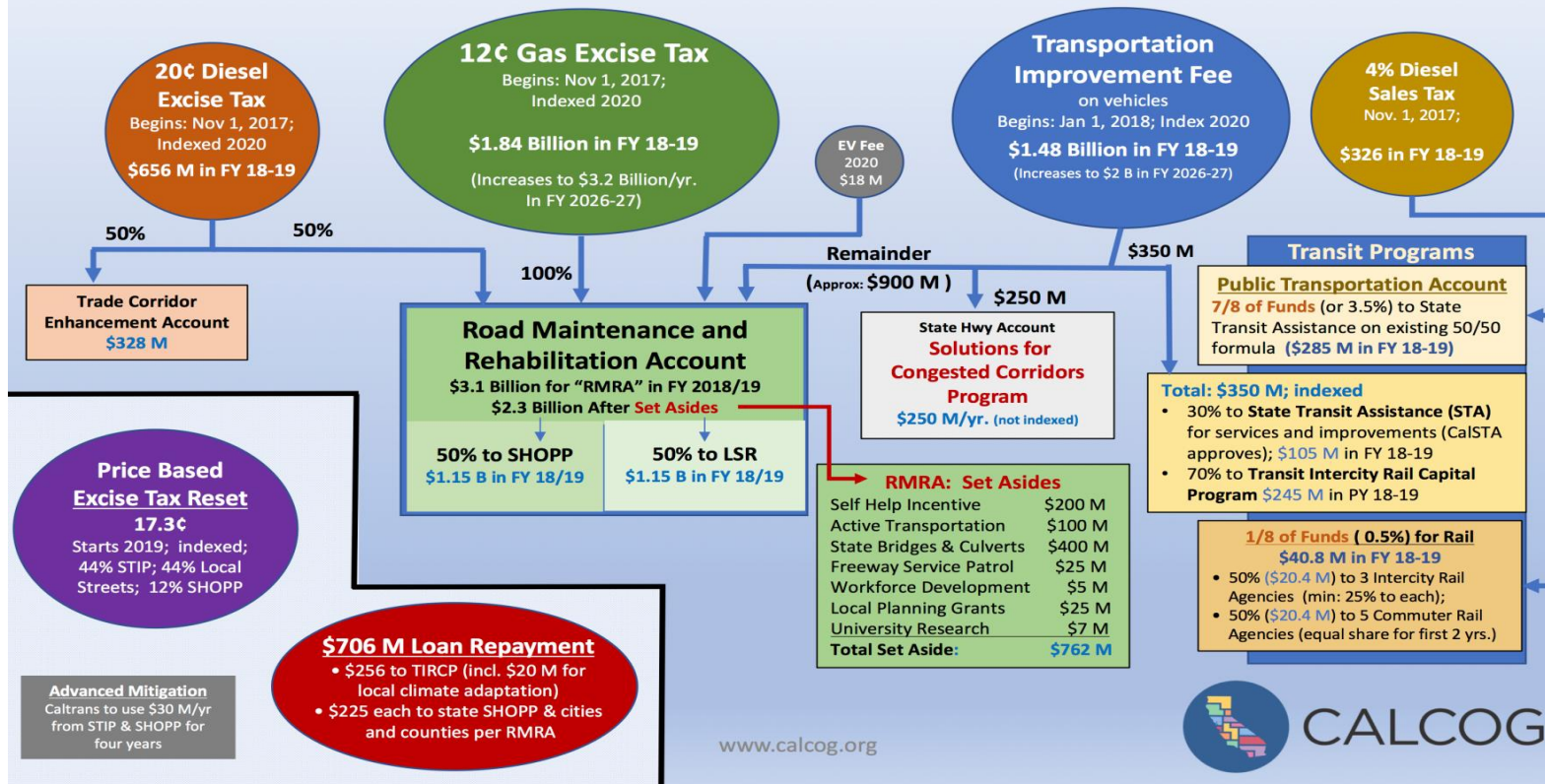
County Road Name	Beginning MP	Ending MP	Total Length	PCI	ADT
Orr Springs Road, CR 223	29.02	37.02	8.00	19	181

New Additional Gas Tax



SB 1: TRANSPORTATION ACCOUNT FLOWS

FY 18-19 is selected because it is the first full year when most of the new revenues are fully implemented. Figures are from from Senate Appropriations Committee Analysis

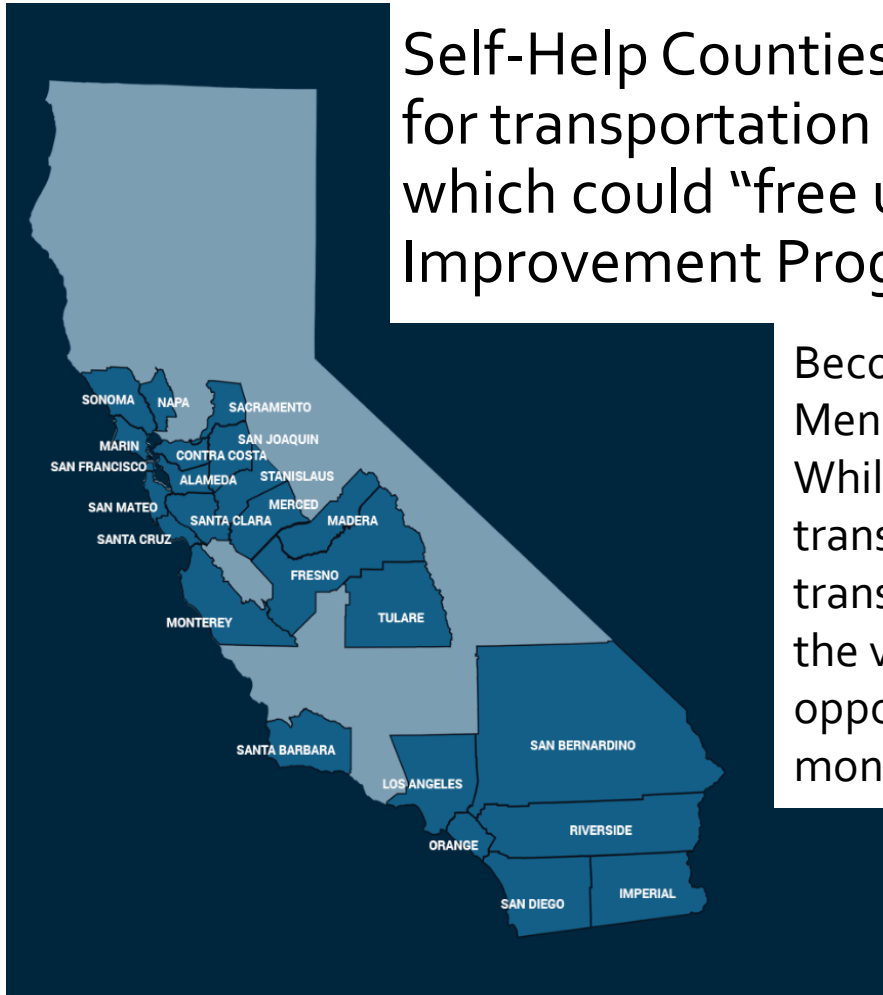


What More Could Mendocino County Do?

On July 12, 2016, the Board of Supervisors considered presenting to the Voters of the County a Measure adding a ½ cent County Transportation Transactions (Sales) and Use Tax in the unincorporated areas of the County to be voted on in a major election of statewide issues. If passed by 67% of the voters, that tax measure would have produced approximately \$2.7 million per year, or \$80 million, over a 30-year period.

Add Opportunity for a Local Partnership Program

Self-Help Counties have a locally approved sales tax for transportation and are eligible for “Partnership” which could “free up” State Transportation Improvement Program (STIP) allocations.



Becoming a “Self-Help” County could help Mendocino get a share of state sources of funding. While a sales tax alone will not solve all of our transportation problems, implementing a transportation sales tax, approved by two-thirds of the voters of Mendocino County, opens new opportunities for leveraging or matching our local money with state sources that require a local share.

State Transportation Improvement Program Projects

The Mendocino Council of Governments (MCOG) and the California Transportation Commission (CTC) approves project priorities for various agencies. There is no guarantee that any of the projects on an agency's list will be picked for allocation or when.

Mendocino County STIP Project(s)

- Brooktrails Second Access
- Redemeyer Road Extension
- East Side Potter Valley Road
- N. St. Street Improvements
- Simpson Lane Intersection

Partnership Program Funds could “free up” STIP Funds.

Additional Information

- Caltrans Transportation Economics Branch -
<http://www.dot.ca.gov/hq/tpp/offices/eab/fundchrt.html>
- California Association of Councils of Governments -
<https://www.calcog.org/>
- California Transportation Commission -
<http://www.catc.ca.gov>
- Save California Streets -
www.savecaliforniastreet.org

Questions?